

Starwood Capital Group Acquires Garden-Style Multifamily Opportunity Zone Development in Austin, Texas



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Starwood Capital Group →

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MIAMI, June 24, 2019 /PRNewswire/ -- Starwood Capital Group ("Starwood Capital"), a global private investment firm focused on real estate and energy investments, today announced that a controlled affiliate has reached an agreement to acquire and develop a 342-unit garden-style multifamily project in East Austin, Texas. Starwood expects to complete the Opportunity Zone development by Spring 2020.

East Austin is one of Austin's fastest growing submarkets and, with significant recent development driven by an influx of young professionals, has transformed into one of the region's most desirable neighborhoods. Centrally located at 500 U.S. Highway 183 S., within close proximity to Austin's central business district (CBD), entertainment district and international airport, the development is one of the few sites in East Austin that can accommodate garden-style apartments, which mimic single-family living and are in high demand from prospective tenants. The project's amenities will include a club house, fitness center and pool with cabanas, and units will feature quartz countertops and stainless steel appliances.

"We are thrilled to add this development to Starwood's growing Opportunity Zone portfolio, and we are excited to expand our footprint in the attractive Austin market," said Anthony Murphy at Starwood Capital Group. "Austin has experienced significant population growth and positive demographic trends, and we believe East Austin presents an attractive opportunity to meet the growing demand for high-quality housing with Class A amenities and finishes. With convenient access to Austin's expanding job centers and entertainment district, this project will appeal to a wide pool of renters and will be a valuable addition to the Starwood portfolio."

"We believe the East Austin submarket is uniquely positioned to continue to grow, due to its proximity to the CBD, and will benefit from strong supply/demand fundamentals," said Anthony Balestrieri, Senior Vice President and Head of Starwood Capital Group's Opportunity Zone investment business. "The development at 500 U.S. Highway 183 S. is representative of the growth-focused investments Starwood Capital intends to continue targeting across our Opportunity Zone business. We look forward to continuing to grow our Opportunity Zone investment portfolio as we identify attractive investment opportunities to create value for our investors."

Starwood Capital announced the formation of its Opportunity Zone business on Jan. 30, 2019, to ensure the success of its ongoing investments in Opportunity Zones, which were created by the 2017 Tax Cuts and Jobs Act to offer investors certain tax advantages for developing and operating assets in designated Opportunity Zones. Starwood Capital will focus its Opportunity Zone strategy on markets in regions where the firm has developed a strong real estate presence, including the West Coast, Southeast and large metropolitan markets such as New York City and Washington, D.C. Starwood Capital is well positioned in many of these markets and will continue to actively invest in, reposition and develop real estate assets in these communities.

About Starwood Capital Group

Starwood Capital Group is a private investment firm with a core focus on global real estate, energy infrastructure and oil & gas. The Firm and its affiliates maintain 13 offices in five countries around the world, and currently have approximately 4,000 employees. Since its inception in 1991, Starwood Capital Group has raised \$45 billion of equity capital, and currently has in excess of \$60 billion of assets under management. The Firm has invested in virtually every category of real estate on a global

basis, opportunistically shifting asset classes, geographies and positions in the capital stack as it perceives risk/reward dynamics to be evolving. Over the past 27 years, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises in both the private and public markets. Additional information can be found at starwoodcapital.com.

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