

LaTerra Development and Revitate Close \$88.2M Construction Loan to Build 344 Build-to-Rent Units in Albuquerque, NM



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LaTerra continues SunBelt expansion

LOS ANGELES, CA / ACCESSWIRE / September 24, 2024 / LaTerra Development, a leading real estate investment and development company, and Revitate, an alternative investment management firm specializing in opportunity zone investing, closed an \$88.2M construction loan provided by Arbor Realty Trust.

LaTerra and Revitate are currently under construction on Bedrock, a 344-unit build-to-rent development in Albuquerque, New Mexico. Bedrock consists of 202 townhomes and 142 single-family detached homes for rent. This is the first BTR community in Albuquerque to offer high-quality rental housing at an attractive monthly cost relative to home ownership.

As part of a larger master-planned community, the development is located within walking distance of top performing public elementary, middle and high schools.

Albuquerque has the lowest number of apartments under construction of any major metropolitan area in the Western U.S. At the same time, there are a significant amount of high-paying jobs. Albuquerque consistently ranks in the top two metros nationally for renter income growth.

"We are thrilled to form a relationship with Arbor," notes Chris Tourtellotte, Managing Director, LaTerra. "This is the largest opportunity zone development in the state of New Mexico."

"There are several significant employers within a half-hour drive of the property, including Netflix, NBC Universal, Amazon, Intel, Sandia Labs, and Meta, which is one of the many reasons LaTerra is so excited about Bedrock", said Charles Tourtellotte, Chief Executive Officer, LaTerra. "These employers have made a substantial investment in Albuquerque and have long term plans to expand and hire additional employees."

Bedrock is located in a Qualified Opportunity Zone (QOZ) in New Mexico and LaTerra has entered into a joint venture with Revitate to develop the 37-acre site. Bedrock is part of Revitate's strategy of investing in new multifamily housing in emerging secondary markets across the United States with strong long-term fundamentals.

"Albuquerque has unique supply-demand fundamentals," said Alex Bhathal, Revitate Co-Founder and Executive Chairman. "This project will help address the area's significant housing shortfall by providing 344 new rental homes."

Revitate Co-Founder and Chief Impact Officer, Lisa Bhathal Merage added that "In addition to addressing Albuquerque's significant housing supply shortage, this substantial build-to-rent development project is creating jobs in Albuquerque. This is a compelling example of how the federal Opportunity Zone program spurs economic development and results in a positive social impact in local communities."

WAY Capital worked on behalf of the borrower to secure the construction loan through Arbor Realty Trust.

LaTerra Development

LaTerra is a leading multifamily and self-storage investment and development company with a focus on U.S. Sun Belt markets. Its multifamily housing business serves the huge demand for best-in-class value rentals, with nearly 3,000 residential units in its portfolio. Its storage platform currently has approximately 1,000,000 square feet of self-storage in development.

Revitate

Based in Newport Beach, California, Revitate is an alternative investment management firm focused on high-potential strategies in real estate, consumer brands, and sports. Bedrock represents the 15th opportunity zone investment led or co-led by Bhathal and his business partner and Revitate Co-Founder Lisa Bhathal Merage since 2018. Revitate seeks out commercial real estate developments in Qualified Opportunity Zones in emerging secondary markets across the nation. Revitate supplies joint venture equity to the sponsors upon finding suitable projects. The emphasis is on new rental housing and industrial development.

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