

# GTIS Partners Closes on Build-to-Rent Project in Queen Creek, AZ

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**GTIS Partners** →

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NEW YORK, April 22, 2021 /PRNewswire/ -- GTIS Partners LP ("GTIS"), a real asset investment and development firm based in New York, today announced closing on Queen Creek Commons, a residential build-to-rent project located in Queen Creek, AZ within the Phoenix MSA. The Project will be developed in-house by GTIS with Sonoma Communities, a Phoenix based developer, serving as its co-developer. The Project is estimated to have a budget of approximately \$65,000,000.

The Queen Creek Commons site is located within the highly desirable Southeast Valley portion of Phoenix, 40 miles southeast of Downtown Phoenix and 20 miles away from the employment hubs in Chandler and Gilbert, AZ. The Queen Creek submarket is one of the most affluent in the area, with median household incomes of \$83k compared to the median of \$58k across the wider MSA. Additionally, the site is just 7 miles south of the Cadence Master Planned Community, a 570-acre community being developed through a Joint Venture between GTIS and Harvard Investments, where GTIS is self-developing and currently under construction on a 197-unit build-to-rent community as a part of its GTIS Qualified Opportunity Zone Fund I.

The Queen Creek Project will feature approximately 275 "cottage-style" rental units with resort-style amenities including a clubhouse, pool, leasing and fitness center, a large central park, and walking trails. Just adjacent is a 450k square foot retail center that is currently under development which will eventually feature a Fry's Supercenter.

Theodore Karatz, Senior Director at GTIS, said, "We're pleased to have gotten this project approved and are excited for the opportunity to deliver a great build-to-rent project for Queen Creek and the greater Southeast Valley. Our firm's in-house development capabilities provide differentiation from other firms, as our leadership team has deep experience across all aspects of residential development, and we are looking forward to exhibiting those capabilities with Queen Creek Commons, our Cadence project which will open for leasing later this year and several more build-to-rent projects in our pipeline."

The Phoenix MSA has continued to attract businesses and residents alike during the COVID-19 pandemic, giving a strong boost to demand for various real estate property types from logistics to residential. The single-family rental ("SFR") market in Phoenix has been a particular winner as millennials enter their mid-30s, typically a milestone associated with a move into single-family living. GTIS believes that this pre-existing migration trend has been accelerated as the pandemic highlighted the need for more space and privacy, driving demand for both SFR and entry-level for-sale housing. For prospective renters that do not have adequate savings to afford down payments or prefer the flexibilities of renting, SFR offers the combined benefits of multifamily and single-family living.

"We view purpose built rental communities as an attractive way of gaining exposure to an SFR market in Phoenix that has been the beneficiary of several long-standing tailwinds," added Rob Vahradian, Senior Managing Director at GTIS. "Build-to-rent offers many advantages over traditional SFR investing including operational efficiency. We expect those efficiencies to be particularly strong with our Queen Creek Commons investment given its proximity to our build-to-rent project at Cadence."

Jim Stockwell, owner of Sonoma Communities, added, "As one of the fastest growing counties in the country, Maricopa County experiences net positive migration of roughly 100,000 people a year, yet the Southeast Valley submarket, specifically, has very high barriers to entry for rental product of any kind. This project epitomizes our goal of bringing best-in-class housing options to fantastic communities like Queen Creek."

## **About GTIS Partners**

GTIS Partners is a leading real asset investment and development firm headquartered in New York with offices in São Paulo, San Francisco, Los Angeles, Atlanta, Paris and Munich. The firm was founded in 2005 by Tom Shapiro and is managed by President Tom Shapiro and Senior Managing Directors Amy Boyle, João Teixeira, Josh Pristaw, Rob Vahradian and Thomas Feldstein. The firm manages over \$4 billion in gross assets and is active across a wide range of real estate sectors including single family and multifamily housing, office, industrial/logistics and hospitality as well as renewable energy infrastructure and opportunity zone investments. The firm invests at various points in the capital structure including credit, common equity and structured equity. In the US, GTIS has invested in over 130 assets across 40 unique markets including growth areas such as Phoenix, Dallas, Houston, Denver, Atlanta, Tampa and Charlotte. In Brazil, GTIS is among the largest real assets private equity firms with holdings including office, residential, logistics, hospitality and renewable energy investments. Marquee assets in São Paulo include the Infinity office building and Palácio Tangará, a five-star resort style hotel.

### **About Sonoma Communities**

Sonoma Communities founded by Jim Stockwell Jr is a real estate development platform building best-in-class rental communities comprised entirely of single-story homes. In the greater Phoenix area our neighborhoods combine the benefits of residential single-family living with the convenience, flexibility and ease of professional on-site management with all the amenities of a luxury apartment community. Sonoma projects feature neighborhood living in single-story homes with upscale features, spacious indoor/outdoor living areas, enclosed private rear yards, front porches, rear covered patios and all the amenities you expect to find in other luxury rental offerings.

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