

Elevation teaming up with California developer for new apartments near Reunion



By LAURA KINSLER | GROWTHSPOTTER | MAY 09, 2019 | 1:30 PM



Elevation Development paid \$5.175 million this week for 28 acres near Reunion Resort for a future 365-unit apartment complex. (Avison Young)

Orlando-based **Elevation Development** paid \$5.175 million this week for nearly 30 acres near Reunion and has partnered with a California multifamily developer to build a luxury apartment complex there.

"Reunion is one of the hottest growth areas in Central Florida, so that's what attracted us to the site," Principal Owais Khanani told **GrowthSpotter**. Plus, the site is just over the

county line in Polk County, where impact fees are about half of what they would be in Osceola County.

Elevation formed a joint venture with **The Latigo Group**, which entered the Orlando market in 2017 with the first of **two value-add apartment acquisitions**. The firm is currently building a mixed-use development in Miami Gardens; this will be its first construction project in Central Florida.



Elevation Development just bought the 28-acre Crystal Bay site on Lake Wilson Road, about a half-mile south of Reunion Resort. Each of the stars on this map represents a new apartment complex in development or planned.

"We are a Los Angeles-based developer, but we also concentrate a lot of our deals in Florida," co-founder Scott Whittaker said.

The site, known as Crystal Bay, is located on Lake Wilson Road, about halfway between Ronald Reagan Parkway and C.R. 532. Lawson Dann and Dan Gorczycki of **Avison Young** negotiated the transaction on behalf of the seller, Crystal Homes RE Holdings, LLC. The buyers were represented by John McDowell, Managing Director of **Comvest Partners**.

The seller won approvals from Polk County to **increase the approved density** from 210 units to a maximum of 400 units. Khanani said the partners anticipate building about 365 units in a mix of 3- and 4-story buildings. They will be re-engineering and redesigning the site, he said.

Whittaker said the challenge will be to stand out among all of the new multifamily product in the white-hot Reunion-ChampionsGate submarket.

"One of our strategies with this is to bring to market something no one else has, so we insulate ourselves from the competition," he said.

That could translate to a technology package or amenity that doesn't exist in the market. For a project in Philadelphia, TLG installed a wall-sized LED videoscreen in the lobby. The firm also was one of the first apartment developers in the nation to offer SMART buildings with flush-mounted iPad systems in the wall. Now connected communities are standard in the luxury apartment sector.

Whittaker doesn't want to divulge what he has up his sleeve for the Crystal Bay site. Standard amenities will include a resort-style pool with "really luxury-type" seating and cabanas, an outdoor kitchen, fitness center with yoga rooms and a full suite of pooch-friendly accoutrements. Dedicated lockers for regular and perishable package delivery is also an industry standard, he said.

The JV partners will be selecting a local architect to work closely with Latiga's in-house design team. The GC has already been chosen: **Seawood Builders**.

The skyrocketing multifamily demand has drawn developers to Four Corners from all over the country, including New York-based **Sovereign Properties**, which is planning over 700 units, and Indiana-based **Watermark Residential** (326 units).

Elevation Development's investment approach has been multi-disciplined and region-wide. The company has retail centers underway in Davenport and Longwood, luxury townhomes in downtown Orlando and **single-family residential communities** in Osceola.

In April, Osceola Commissioners approved the sale of the county's 25-acre softball complex in Kissimmee to Elevation for a mixed-use development to include 25,000-30,000 square feet of retail uses, up to 100,000 square feet of self-storage, a minimum of 750 apartments, a hotel and an assisted living facility.

*Have a tip about Central Florida development? Contact me at lkinsler@GrowthSpotter.com or (407) 420-6261, or tweet me at **@LKinslerOGrowth**. Follow GrowthSpotter on **Facebook**, **Twitter** and **LinkedIn**.*