



ACRE provides \$26.5 million to MED Developers to refinance The Lowe

May 16, 2023 - National News

Savannah, GA ACRE, a vertically integrated real estate private equity and multifamily investment firm, through the company's newest debt fund, ACRE Credit II, has provided \$26.5 million to MED Developers for the refinance of The Lowe, a newly built, class-A multifamily residential development.

The loan was brokered by John Gavigan, managing director of JLL Capital Markets, and will be used to refinance MED Developers' existing construction debt. Pegasus Residential will manage the property.

"Despite the strong demand for additional multifamily development across the U.S., there is still significantly less liquidity in the market due to recent rate hikes and persistent inflation allowing ACRE to gain market share providing institutional sponsors with the debt," said Sam Browne, vice president of ACRE. "We are excited to work with MED Developers on this transaction as we continue to seek out additional opportunities in multifamily assets in growing secondary markets across the U.S."

The Lowe, which began welcoming its first residents this March, comprises 135 studio, one- and two-bedroom residences ranging in size from 421 to 1,079 s/f, respectively. Unit amenities include keyless entry, highspeed Wi-Fi, quartz countertops with designer backsplashes, private balconies and full-sized in-unit washers and dryers. Community amenities include a resort-style swimming pool, 24-hour fitness center, club room with lounge, pet spa, outdoor grilling area, covered parking garage and a bicycle storage room.

Savannah is currently experiencing a population and job growth explosion catalyzed by a uniquely resilient economic environment that is uncommon among medium-sized markets. Migration from other parts of the country accounts for 50% of Savannah's annual growth, and many new residents are older with substantially higher incomes. The city's year-over-year rent growth rate of 6.6% remains one of the highest in the Southeast, outpacing much larger markets such as Atlanta and Charlotte. This continued population growth will enable Savannah to continue its upward trajectory within the nation as a strong market for investing and developing multifamily real estate.