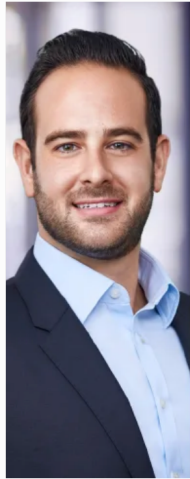


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Calmwater Capital Supplies \$41M Refi for Arizona Build-to-Rent Community

BY ANDREW COEN NOVEMBER 12, 2024 9:00 AM

REPRINTS



THE MODERNE AT ROCKING K BUILD-TO-RENT DEVELOPMENT IN VAIL, ARIZ. AND ZACH NOVATT, DIRECTOR AT CALMWATER CAPITAL

PHOTOS: CALMWATER CAPITAL



Moderne Communities has sealed a \$41.1 million loan to refinance an Arizona build-to-rent community, Commercial Observer has learned.

Calmwater Capital provided the two-year senior loan on the sponsorship's newly built **Moderne at Rocking K** project in Vail, Ariz., southeast of Tucson. The 17.1-acre development in and around **7720 South Rocking K Ranch Loop** consists of 224 single-family rental homes and is part of the 5,000-acre **Rocking K** master-planned community.

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“Moderne saw tremendous lease-up velocity after the first phase was delivered as renters appreciated the opportunity to live in a home without the cost burden of home ownership,” Calmwater Managing Principal **Larry Grantham** said in a statement. “Now that all units are online, the property aims to achieve stabilized occupancy levels early next year.”

Grantham noted that the cost to rent at Moderne at Rocking K is “significantly lower” than the monthly cost of owning a comparable home in the Tucson area. It is the only build-to-rent community in the Rocking K master-planned development.

Zach Novatt, a director at Calmwater who heads the firm's originations in the Western U.S., said in a statement that competition for build-to-rent assets around Tucson is "scarce," with the nearest community 12 miles away and only two properties slated to be delivered through the end of next year.

WAY Capital's Malcolm Davies and **RJ Opeka** arranged the transaction.

Located 22 miles southeast of Downtown Tucson, Moderne at Rocking K features a mix of one-, two- and three-bedroom floor plans. Community amenities include a pool, a spa, pickleball courts, a barbecue area and a fitness center.

"Moderne at Rocking K is filling a need for residential rentals that provide an alternative to apartment living," **Randy Bury**, founder and president of Moderne Communities, said in a statement. "A gated community of rental homes with upscale amenities situated within a master-planned community is unique to Vail, Arizona."