



For Immediate Release

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Castle Lanterra Properties Sells Stratus Townhomes in Denver to Klingbeil Capital Management for \$85M

National Investment Firm Exceeds 10-Year Return Goals in Just Four Years

Suffern, NY - May 27, 2021 - Castle Lanterra Properties (CLP), a New York-based national real estate investment firm, today announced the sale of Stratus Townhomes in Denver, CO to one of the country's original community developers, Klingbeil Capital Management, a private, full service real estate investment organization founded in 1959 by James D. Klingbeil, for \$85 million.

Acquired by CLP in November 2017, Stratus Townhomes is a 36-building, 280-unit townhome community – a rarity in the market - located in the northwest Denver city of Westminster, Colorado. The community consists of 140 two-bedroom units and 140 three-bedroom, tri-level homes with private entrances.



“Although we believe there remains tremendous upside at this outstanding property, CLP far exceeded our 10-year IRR projections for Stratus Townhomes in less than four years,” said Elie Rieder, founder and CEO of CLP. “Our relationship with Klingbeil Capital goes back many years and we believe they will continue to add value to this unique asset.”

Following its acquisition of the residential community, CLP invested in a number of major capital improvements and a modernization program that included the installation of new windows, siding and doors, as well as upgrades to the parking lot, clubhouse, leasing office, pool, pet wash station and package room. CLP's value enhancement program, which included unit renovations with varying scopes and reconfigurations, resulted in significant rent premiums.



The average square footage of 959 for the two-bedroom and 1,166 for the three-bedroom units, not including approximately 450 square feet of additional space in the basement, is a rarity in the metro Denver apartment market. The property features an array of amenities including an updated clubhouse, Wi-Fi Café, lounge area and fireplace, swimming pool, barbeque grills, large dog park, and new parking lot and playground. The town homes are equipped with private entrances and full basements in each unit, full-size washer and dryer connections, gas heating, air conditioning, all electric kitchens and extra storage.

The two firms have a long and successful relationship. CLP acquired the Misty Ridge Apartments community in Woodbridge, VA from Klingbeil in 2013 and after the implementation of a successful value add strategy, CLP exited the property in 2019.

About Castle Lanterra Properties

Formed in 2009 by Elie Rieder, Castle Lanterra Properties (CLP) is a privately held real estate investment firm with a focus on the acquisition and repositioning of multifamily communities as well as acquiring quality, new-construction properties located within strategic growth markets throughout the United States. Mr. Rieder has bought and sold tens of thousands of residential units throughout North America. CLP seeks to optimize the potential of each investment and create a higher sense of community at its properties through value-added elements and operational enhancements that include thoughtful renovations, operational improvements, and ancillary income development. Core to its mission, CLP aims to leverage its deep in-house operating platform to revitalize housing communities with modern, functional amenities, enhanced technology, and vibrant social programs that positively impact residents and generate attractive risk-adjusted returns for its investment partners. CLP currently owns and manages over 7,500 units across 25 properties throughout the United States.