

Altitude Property Sold For \$1.76 Million

By VIC BRADSHAW

Daily News-Record

HARRISONBURG — Though a new developer is behind the project and its opening has been delayed a year, an upscale student-housing project is about to get off the ground.

Richmond-area mortgage broker and developer Steven Walker said Monday that the 140-unit, 425-bed Altitude at Stone Port complex will open by fall 2019. Site work for the \$33 million project is expected to begin in August.

Walker, owner of RPC Realty Capital LLC, said Altitude is the first student-housing project he's developed. Drucker & Falk Real Estate, a Richmond property management company, will manage the complex, which is being financed by Sonabank.

Altitude will be modeled somewhat after the 865 East building on Port Republic Road, a project he oversaw as a loan officer with Wells Fargo Commercial Real Estate Group in Richmond.

Walker said he thinks the security features, popular at 865 East and with James Madison University student and parent focus groups, and the nearly 2,500-square-foot deck space with garage-type doors that can be opened or closed based on the weather "will really resonate" with potential renters.

"We wanted to take a cue from the 865 East product type," he said, "and rather than do another garden-apartment project, with walk-up steps, we wanted to do something with interior corridors, key-fob entrance and elevators. With some of my partners, we concluded that was a void within the market."

Walker's Altitude JMU LLC has acquired the property at 1728 Port Republic Road for \$1.76 million. The deal with KKB LLC closed June 19 but wasn't recorded at the Rockingham County Courthouse until June 30.

Shovel-Ready Project

The project was developed by Dain Hammond, a local insurance company owner and developer. In September, he convinced the Rockingham County Board of Supervisors to approve a rezoning for the complex, a request that passed on a 3-2 vote.

Hammond said he'd planned to develop Altitude himself and sought Walker as a partner. The Richmond developer offered to purchase the whole project, with Hammond staying on as a liaison and consultant.

Harrisonburg has plenty of student-housing options, he said, but the popularity of 865 East's security features convinced him the market would support a similar building. "865 East has been

so crazy successful,” Hammond said. “I think there’s an oversupply of student housing, but it’s really niche marketing with minimal access to buildings.”

The site plan for the project is approved, he said, and the desire is to have the foundation poured before it turns cold. Vertical construction will begin next spring, with a Tennessee company Walker uses for his projects in charge of construction.

Altitude at Stone Port is designed to be a nearly 250,000- square foot complex, Walker said. That includes a nearly 12,000- square foot clubhouse.

Each unit will have stainless-steel appliances and a washer and dryer, and each bedroom will have its own temperature control. Walker said “a half-dozen” smart-tech breakout rooms with dry-erase walls will be scattered around the complex so students can work together on projects, and high-speed wireless internet service is a must.

“We’re going to have 425 students,” he said, “and we want them all to be able to stream Netflix at the same time without speed issues.”

Eighty-seven of the units will have four bedrooms and four bathrooms, and Walker said those spaces should rent for about \$650 per bedroom. Altitude also will have two- and one-bedroom units, with the one bedrooms leasing for about \$1,100 a month.

Though the apartments won’t be ready until June 2019, he said the clubhouse should be ready by next fall and open for preleasing.

Walker said the long project timeline means crews shouldn’t be rushed to finish as students are arriving for fall classes.

“It takes a long time to build these,” he said. “We’d rather open three months early versus a month late, because if you’re late for student housing, you’ve got yourself in a bit of a pickle.”

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