

OCTOBER 5, 2016 - **VESPER HOLDINGS** IN THE NEWS - By Rayna Katz | STUDENT HOUSING

## Vesper Buys Eight Student Housing Properties

NEW YORK CITY—The newly acquired portfolio includes 4,925-beds spread across five states.



*Sitt: "This acquisition is part of a strategy to purchase well-located properties with upside potential."*

NEW YORK CITY—**Vesper Holdings**, a private real estate investment firm based here, has acquired an eight-property, 4,925-bed student-housing portfolio. The company declined to reveal the purchase price but a source close to the deal reveals to GlobeSt.com that the portfolio is valued at more than \$250 million.

CBRE's Jaclyn Fitts, national director of student housing, negotiated the transaction on behalf of the seller; that party's identity was not known at press time. It was also unclear whether **Vesper** had outside representation in making the deal. The company's purchase ranks among the 10 largest student housing transactions ever completed in the United States. In addition, the acquisition ranks as one of the five largest student housing transactions in the US led by a private company.

The acquisition expands **Vespers'** presence in Texas, Georgia, Iowa and Kansas; and extends its reach into Alabama. More specifically, the deal includes two Texas properties close to Texas A&M University that comprise Islander Village, with 312 beds and Campus Quarters with 336 beds. In addition, The District on Luther—which is close to the Texas A&M public research university at College Station—has 1,098 beds and is spread out on 31 acres.

The Georgia-based communities include the Legacy, a 368-bed community in Statesboro, which caters to students enrolled at Georgia Southern University; and West 22, an 850-bed community in Kennesaw that's close to Kennesaw State University.

The other three communities comprise the 700-bed Crimson in Tuscaloosa, AL, where student residents attend the University of Alabama; the 700-bed University Crossing in Manhattan, KS, providing housing for students at Kansas State University; and the 561-bed Hawk's Ridge, IA, near the University of Iowa.

Enrollments at these universities have grown by over 20% since 2010 and are projected to increase by 13% by 2020.

"Our acquisition of this student housing portfolio is part of a strategy to purchase well-located properties with upside potential that can be unlocked through renovation, repositioning and rebranding," comments **Isaac Sitt**, co-founder and principal of **Vesper**. "We have consistently generated exceptional risk-adjusted returns through our value-add strategy and look forward to accomplishing the same with this portfolio. Since we were able to acquire the portfolio at a highly attractive price, we are in a position to invest necessary capital and offer these communities to students at competitive rental rates. We are pleased to add these eight properties to our rapidly growing student housing portfolio."

**Vesper Holdings** intends to tap the upside potential of its newly-acquired eight-property portfolio through an investment of \$11 million into capital improvements.