

# REAL ESTATE WEEKLY

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## Vesper secures \$192M financing for jumbo student housing deal

Vesper Holdings, the New York-based investment firm founded by Elliot Tamir and Isaac Sitt, has secured a \$192.5 million funding package for its jumbo student housing purchase earlier this month.

Vesper, in partnership with Prospect Capital, acquired an eight-property multi-state portfolio from Heitman.

The deal ranks among the 10 largest student housing transactions ever completed



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in the United States. It expands Vesper's presence in Texas, Georgia, Iowa and Kansas and extends its reach into Alabama.

"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 re-branding," commented Isaac J. Sitt, co-founder and principal of Vesper Holdings.

"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."

AMA Financial (AMA) arranged financing totaling \$192.5 million on behalf of Vesper. Financing was provided by KeyBank Real Estate Capital (KeyBank) and consisted of eight loans, including six fixed-rate Freddie Mac loans amounting to \$168 million; and two bridge loans amounting to \$24.5 million.

"As the student housing market continues to flourish, we rely on ... AMA Financial for projects that require serious financial strategy," said Todd Goulet, Senior Vice President, KeyBank Real Estate Capital.

The eight-property portfolio includes more than 4,900 beds and spans Alabama, Georgia, Iowa, Kansas and Texas

With the purchase of 11 properties over the past 12 months, Vesper's student housing portfolio ranks it among the 10 largest owners in the United States.

The company said it intends to tap the upside potential of its newly-acquired eight-property portfolio through an investment of \$11 million into capital improvements.

Property improvements will include unit renovations, extensive enhancements to well as substantial technology upgrades throughout the communities.

In addition, Vesper will overhaul the various club houses and provide such branded amenities as the Joe Café bar and JIM Fitness Centers brand. Pool areas will get spa-style renovations while individual communities will see the addition of basketball parks or hiking trails.

The eight newly-acquired properties will be managed by Campus Life & Style (CLS), Vesper's wholly-owned property management subsidiary.

CBRE's Jaelyn Fitts, national director of student housing, negotiated the portfolio sale on behalf of the seller.



The portfolio includes Legacy at Georgia Southern University.