

January 28, 2019

Equus Sells Grand Oak Business Park in Eagan, MN



Equus Capital Partners, Ltd. (“Equus”), one of the nation’s leading private equity fund managers, announced today the sale of Grand Oak Business Park, a 10-building 539,893 square foot class A office/retail campus located in the Southeast submarket of Minneapolis, Minnesota. The properties, originally acquired in 2007 on behalf of BPG Investment Partnership VIII and VIII A, L.P., a fully-discretionary fund managed by Equus, were sold to Group RMC, a New York based real estate investment and management company, for \$70 million.

Ryan Watts, Sonja Dusil and Judson Welliver of CBRE represented the seller in the transaction.

Grand Oak Business Park is conveniently located adjacent to Interstates 494 and 35 in Eagan, MN and is in close proximity (5 minutes) to Minneapolis/St. Paul International Airport and less than 20 minutes from both downtown Minneapolis and St. Paul. Developed between 1999 and 2007, the campus is comprised of 527,562 square-feet of office space, 12,331 square-feet of retail space and is situated on 100 landscaped acres surrounding a private 20-acre lake. Amenities include two fitness centers, a mile-long walking trail, a putting green, and a conference center. The retail component includes Jimmy John’s Gourmet Sandwiches, Caribou Coffee, and a brewpub.

At the time of sale, Grand Oak Business Park was over 90% occupied with nearly 70 tenants representing a diverse mix of industries. “During our hold, we were able to work through a few large tenant bankruptcies that resulted in significant re-tenanting efforts following the 2008/2009 financial crisis. Over the past few years the Southeast submarket has stabilized greatly as evidenced by the submarket posting the second-lowest vacancy rate in the Minneapolis/St. Paul metropolitan area at 3.9% as compared to 10.2% in the overall market. In addition, during 2018 Minneapolis posted an unemployment rate below 3% – one of the lowest in the nation – and is expected to continue to outperform the national economy. As a result, we anticipate continued upward pressure on rents and values over the next few years. These factors continue to drive significant investor demand for Minneapolis area investments. With the sale of Grand Oak we have now completed the disposition phase of our BPG Investment Partnership VIII and VIII A, L.P., a \$550 Million discretionary investment fund,” commented Christopher Locatelli, Senior Vice President and Director of Dispositions for Equus, who, along with Mark Ledger, Senior Managing Director, Brant Glomb, Vice President and Asset Manager, Kelly Gibbel, Vice President of Asset Management and Adam Seyfarth, Associate in Equus’ Chicago office, oversaw the transaction for the firm.

About Equus Capital Partners, Ltd.

Equus Capital Partners is one of the nation's leading private equity real estate fund managers. Equus' diversified portfolio consists of office, multi-family, industrial, and retail properties located throughout the United States. The firm is headquartered in the Philadelphia area with regional offices in Chicago, Los Angeles, Washington D.C., Atlanta, and Raleigh-Durham. For additional information, please visit the company's website at www.equuspartners.com.

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