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# Equus Recapitalizes \$1 Billion+ Industrial Portfolio



Equus Capital Partners, Ltd. (“Equus”), one of the nation’s leading real estate investment managers, in partnership with Partners Group, a leading global private markets firm, on behalf of its clients, announced today the sale and recapitalization of an approximately 8.6 million square-foot industrial portfolio for a consideration in excess of \$1 billion. The portfolio is located across five dynamic industrial markets in the Mid-Atlantic and Southeast regions, including Raleigh/Durham, Atlanta, Nashville, Norfolk, and Shenandoah Valley.

The portfolio was aggregated over the last few years in a programmatic joint venture targeting industrial assets ranging from core/core+ to development on the risk return continuum. The new investment is bifurcated between two joint ventures with a large U.S. based insurance company. One joint venture holds assets with a long-term income focused return profile and the second includes assets suited to a shorter-term total return driven strategy.

“The industrial capital markets have been extremely

receptive to stabilized industrial properties that are leased to credit worthy tenants in strategic and dynamic growth markets. The goal at the outset of the programmatic joint venture was to acquire and develop a portfolio of high-quality industrial assets. Our strategy emphasized flexibility and an entrepreneurial approach. We combined durable in-place cash flow with the potential for return enhancement through identified development opportunities, which resulted in attractive returns,” said Kyle Turner, Principal and Director of Investments of Equus. “We will continue to source creative and complex real estate transactions on behalf of our investment partners and continuing our expansion in the industrial sector up and down the risk curve.”

The 8.6 million square-foot portfolio, which was 98% occupied at the time of sale, included a total of 88 shallow-bay and bulk distribution properties. The shallow bay portion totaling 3.8 million square-feet is comprised of fifty-four buildings in six parks in Raleigh-Durham, NC and nineteen buildings in one self-contained industrial park in Atlanta, GA. The bulk portfolio contains fourteen buildings totaling 4.8 million square-feet, comprised of six buildings in Hampton Roads/Norfolk, VA, four buildings in Nashville, TN and four

buildings along the I-81 Corridor of Shenandoah Valley, VA.

“This transaction illustrates the demand for larger portfolios with concentrated sub-portfolios which capture current strong market conditions allowing durable NOI growth and favorable CAGR. The portfolios’ makeup, robust operating fundamentals and long-term tenant appeal attracted significant interest from a multitude of equity sources. As a result, we were able to execute this successful initiative,” said Christopher Locatell, Principal and Director of Dispositions of Equus.

Equus will continue to develop, acquire, operate, aggregate, and dispose of high-quality industrial portfolios across its closed-end commingled Fund business, programmatic joint-venture partnerships, and development platform. Kyle Turner and Christopher Locatell, along with Timothy Feron, Vice President of Acquisitions, Laura Brestelli, Vice President and Director of Capital Markets, and Philip Vecchiolli, Analyst, oversaw the transaction for the firm. The firm was advised by the Jones Lang LaSalle team led by Mike Joseph, Doug Bond and Dan Cashdan.

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### **About Equus Capital Partners, Ltd.:**

Equus Capital Partners is one of the nation’s leading real estate investment 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, Raleigh-Durham, and Florida. For additional information, please visit the company’s website at [www.equuspartners.com](http://www.equuspartners.com).

### **For additional information on the transaction and the company, please contact:**

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