



CAPITAL PARTNERS, LTD.®

ONE OF THE NATION'S LEADING REAL ESTATE FUND MANAGERS

InSITES

Third Quarter | 2015



Hill House Apartments, Chestnut Hill, PA

Equus Acquires 188 Unit High-Rise Multi-Family Community in Philadelphia, PA

In September 2015, affiliates of Equus Capital Partners, Ltd. ("Equus"), acquired Hill House Apartments, a 188 unit high-rise multi-family community in the Chestnut Hill neighborhood of Philadelphia. Acquired for \$42 million, the property was 95% occupied at the time of closing. The acquisition marks the first multi-family investment for Equus Investment Partnership X, L.P. ("Fund X"), the latest discretionary equity fund managed by Equus. Madison Apartment Group, L.P. ("Madison"), the multi-family operating arm of Equus, will manage the community.

Hill House is conveniently located adjacent to SEPTA's Chestnut Hill West regional rail station and Germantown Avenue, in the heart of Chestnut Hill's upscale retail and restaurant corridor. The iconic high-rise benefits from a diverse unit mix of studios, one, two, and three bedroom apartments, while offering an array of on-site amenities including underbuilding parking, fitness center, and outdoor pool.

Boasting views of the Center City Philadelphia skyline and Fairmount Park, Hill House's Chestnut Hill location provides convenient access to both Center City Philadelphia and major suburban employment centers in Montgomery County.

"This community appeals in equal measure to both younger residents and empty nesters who value convenience, walkable amenities, and a desirable and safe neighborhood," commented Greg Curci, Vice President of Equus who oversaw the acquisition for the firm. "We look forward to delivering a living experience consistent with the heightened expectations of today's renter."

Over the coming months, Equus will invest approximately \$5 million to completely renovate the common areas and amenities, as well as to extensively upgrade unit interiors. Prior to this transaction, the property was owned and managed by the family of the original developer.

The seller was represented by Rittenhouse Realty Advisors. ■

Arthur P. Pasquarella Named Chairman of National Kidney Foundation



Arthur P. Pasquarella, COO

Equus' Principal and Chief Operating Officer, Arthur P. Pasquarella, was elected Chairman of the National Board of the National Kidney Foundation, during the organization's October 3rd Board of Directors' meeting in Los Angeles, CA.

Art has been actively involved with the National Kidney Foundation since 2006 when he joined the Delaware Valley Board. In 2011, he joined the National Board as well. He previously served as the 2010-2012 Chair of the Foundation's Delaware Valley Board and as the Development Committee Chair for the National Board.

As Chairman of the National Kidney Foundation, Pasquarella plans to lead the Foundation in its ongoing efforts to raise awareness about kidney disease, its risk factors, and the importance of organ donation.

"Art has long been dedicated to the fight against kidney disease. He has proven his commitment to the kidney cause, serving on NKF Boards at both the national and local levels

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Equus Completes \$350 Million in Sales During the Quarter 3



Raintree Corporate Center, Scottsdale, Arizona



MetroWest, Naperville, Illinois



9605 Medical Center Drive, Rockville, Maryland

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for many years," said Kevin Longino, National Kidney Foundation CEO. "His professional success, coupled with his personal connection with kidney disease and organ donation, will be a powerful asset as NKF advances our mission to increase testing for those at risk, further professional education about kidney disease, and reduce the waiting period to receive a kidney for transplant."

The National Kidney Foundation (NKF) is the leading organization in the U.S. dedicated to the awareness, prevention, and treatment of kidney disease. For more information, visit www.kidney.org. ■

New Hires

BPG Management Company, L.P.

Newtown Square, PA Office
Bernadette Skelly, *Property Manager*

King of Prussia, PA Office
Ashley April, *Assistant Property Manager*

Madison Apartment Group, L.P.

Philadelphia, PA Office
Terri Sherrod, *National Marketing Director*

Equus' Fund X Acquires Three Office Complexes for more than \$120 Million

During the third quarter 2015, affiliates of Equus acquired two office buildings and one office/lab facility, totaling 666,167 square-feet, in Arizona, Illinois, and Maryland. The acquisitions were made on behalf of Equus Investment Partnership X, L.P. ("Fund X"), the latest discretionary equity fund managed by Equus.

Representing Fund X's first commercial investment, Equus entered into a joint venture with iStar Financial, Inc. ("iStar") on the ownership of Raintree Corporate Center, a premier Class-A office complex comprised of two 3-story office buildings totaling 345,194 rentable square-feet, located in Scottsdale, Arizona. An Equus affiliate will be serving as the managing partner of the iStar/Equus venture. "We are pleased to be partnering with iStar on a trophy office asset in the Scottsdale market. We look forward to implementing our business plan and re-introducing the property to the brokerage community," said Jonathan Praw, Vice President of Equus who oversaw the transaction for the firm.

In September, Equus acquired Naperville, Illinois' iconic MetroWest building. Built in 1986 and situated on 11.36 acres, MetroWest was designed by internationally renowned German-American architect Helmut Jahn and is well-known in the Chicago suburbs due to its high-visibility and its distinctive "N" design.

The 10-story office building offers floor plates ranging from 17,000 to 23,000 square-feet and four exterior balconies available on most floors. On-site amenities include an expansive front patio, outdoor putting green, a large fitness center, deli, conference room, and ample parking which includes approximately 598 surface parking spaces and a 24-stall underground executive parking garage.

Also in September, Equus acquired 9605 Medical Center Drive, located in Rockville, Maryland, which is 10 miles northwest of Washington, D.C. The three-story office/lab building is located on the Johns Hopkins University Montgomery County Campus within the Shady Grove Life Sciences Center. This submarket, commonly referred to as "DNA Alley," is an internationally recognized biotech and life sciences hub. "This transaction provides the opportunity to acquire a Class A in-fill office and lab asset in a dynamic life science market with an abundant of amenity options and stable economic drivers," said Kyle Turner, Director of Investments for Equus Capital Partners, Ltd., who along with Roy Perry, Senior Vice President, oversaw the acquisition for the firm. "The project has a credit worthy tenant roster and a strategic location that is poised to capture the growth occurring in the biotech and life science space." ■

25, 35, and 45 West Watkins Mill Road, Gaithersburg, Maryland



Madison Vinings Ridge, Atlanta, Georgia



Madison The Wellington, Seattle, Washington



Madison Bridge Creek, Portland, Oregon



Madison Settler's Point, Salt Lake City, Utah



Equus Completes \$350 Million in Sales During the Quarter

During the third quarter 2015, Equus Capital Partners, Ltd. ("Equus"), completed property dispositions totaling in excess of \$350 million. The properties sold included a 139,938 square-foot office/lab portfolio in Gaithersburg, Maryland, a 494-unit apartment complex in Atlanta, Georgia, and a seven-property, 1,829-unit multi-family portfolio with assets in the Seattle, Portland, and Salt Lake MSAs.

25, 35, and 45 West Watkins Mill Road, a three-building office/lab portfolio totaling 139,938 square feet, located in Gaithersburg, Maryland, a submarket of Washington, D.C., was sold for \$24.9 million. The portfolio was 95 percent leased at the time of sale. Situated just 17 miles northwest of Washington, D.C., the properties are located within Montgomery County's highly desirable I-270 corridor, a leading life sciences center widely known as "DNA Alley". "Gaithersburg is a dynamic submarket known for its high concentration of innovative technology and bio-tech companies, making it an incredibly attractive location for life sciences companies," said Chris Locatell, Senior Vice President of Dispositions, who oversaw the disposition for the firm. The sale was made on behalf of Equus' BPG Investment Partnership IX, L.P., a \$310 million private equity fund managed by Equus.

Madison Vinings Ridge, a 494-unit apartment complex, located in the Cumberland/Galleria neighborhood of northwest Atlanta, was sold. At the time of the sale, the community was 96 percent leased. Located less than one mile from the interchange of I-285 and

I-75, Madison Vinings Ridge offers convenient access to Atlanta's Buckhead and Downtown areas as well as the city's northwest employment centers. "Anticipation of future growth in the immediate area associated with the new Atlanta Braves' mixed use development resulted in extraordinary investor interest in this uniquely located apartment community," commented Greg Curci, Vice President of Equus who was responsible for overseeing the disposition for the firm.

The seven-property Western Portfolio, totaling 1,829 multi-family units, was sold for \$255,000,000 to Los Angeles based TruAmerica. Located in the submarkets of Lynnwood, Kent, and Silverdale in Seattle, Wilsonville in Portland, and Salt Lake City, the garden style communities were developed between 1982 and 1990. All seven properties are well-situated in their respective submarkets and offer residents a diverse mix of unit types and resort style amenities in low-density and attractive settings. "This portfolio offered investors an opportunity to acquire a rare critical mass of units in some of the nation's most coveted rental markets," commented Greg Curci, Vice President of Equus who was responsible for overseeing the disposition for the firm. "Investor interest in these well-located and high-performing assets was overwhelming."

The Vinings and Western Portfolio investments were sold on behalf of Equus' BPG Investment Partnership VIII, L.P., a \$530 million private equity fund managed by Equus. ■

Equus would like to thank the following brokers and their firms for helping us lease 657,531 SF in the 3rd Quarter 2015:

► ACRE Florida RE (FL)	Sandi Bargfrede
► Aegis Property Group (PA)	Jim Kinzig and Kim Harris
► Area Corporate Real Estate Advisors (MN)	Jeff Jones
► Avison Young (VA)	Peter Berk, Dave Millard, and Nick Gregorios
► Avison Young (NC)	Justin Booth
► B&B Realty Group, LLC (NC)	Vandan Gandhi
► Bernie Reeder (NC)	Bernie Reeder
► CBRE (AZ)	Brian Taute
► CBRE (IN)	Nick Svarczkopf, John Vandenbark, and Crystal Houston
► CBRE (MA)	Robert McGuire and Alison Powers
► CBRE (MD)	Mike Gilman
► CBRE (NC)	Ann-Stewart Patterson
► CBRE (PA)	Mike Barker, Steve Gersbach, and James Kelley
► Childress Klein Properties (NC)	Henri Gresset
► Coldwell Banker Commercial Realty Services (IN)	James C. Shook, Jr.
► Colliers International (CA)	Susan Gregory, Jim Beegeer, and Dion Campisi
► Colliers International (IL)	Dave Florent, Francis Prock, Fred Regnery, Alain LeCoque, and Ryan Barr
► Colliers International (IN)	Kim Hartman
► Colliers International (NY)	Kenneth Enos
► Colliers Interantional (PA)	David Dickson
► Colliers Interantional (VA)	Taylor Caparosa
► Cresa Boston (MA)	David Ross
► Cushman & Wakefield (FL)	Paula Buffa, James Moler, Lauren Coup, Traci Jenks, and Tony Terrell
► Cushman & Wakefield (GA)	Pat Murphy
► Cushman & Wakefield (IL)	Jay Stewart
► Cushman & Wakefield (IN)	David Moore
► Cushman & Wakefield (PA)	Peter Strickler
► Cushman & Wakefield - NorthMarq (MN)	Jason Butterfield and Gordie Hampson
► Cushman & Wakefield Oxford Commercial (TX)	Brett Arabie and Mark Greiner
► Donohoe Real Estate Services (D.C.)	Dean Drewyer
► DTZ Cassidy Turley (MA)	Connor Barnes
► DTZ Cassidy Turley (VA)	Krysta Herring and Todd Brinkman
► Gola Corporate Real Estate (PA)	Brian LaFond
► Jones Lang LaSalle (IN)	John Robinson, Abby Zito, Mike Corr, and Denice Michel
► Jones Lang LaSalle (MD)	Bernie McCarthy
► Jones Lang LaSalle (NC)	Ryan Lawrence
► Jones Lang LaSalle (NJ)	Robert Bull
► Jones Lang LaSalle (VA)	Chuck LaRock
► Keller Williams Commercial (VA)	Thierry Roch
► Liberty Universal Management (FL)	Janet Glavin
► M3 Millennium Companies (GA)	Jonathan Ellis
► Millridge Commercial Real Estate, LLC (NC)	Todd F. Allen
► NAI Brannen Goddard (GA)	David Beak and Stephen Pond
► NAI Keystone (PA)	John Buccinno and Steve Willems
► NAI Merin Hunter Codman (FL)	Jason Sundook and Lesley Sheinberg
► Newmark Cornish & Carey (CA)	Bryte Nielson and Rod Scherba
► Newmark Grubb Knight Frank (MA)	Drew Nelson
► Newmark Grubb Phoenix Realty Group (FL)	Jim Sebesta, Ross Crabtree, and Scott Henley
► Newmark Knight Frank Halakar (IN)	Jenna Barnett
► Pollan Hausman Real Estate Services, LLC (AZ)	Craig Hausman
► Rittenhouse Realty Advisors (PA)	Sandi Bargfrede
► ROI Commercial Property Brokerage (FL)	Eric Odum
► Sperry Van Ness (CA)	Robert Badagliaccio
► The Lewis Group, LLC (NC)	William M. Lewis
► The Robert R. Hemphill Company (TX)	Robert Hemphill
► The Shopping Center Group (FL)	Stacy Miller
► Transwestern (MD)	Guy Copperthite and Scott Randolph
► Transwestern (MN)	Mike Salmen and Mike Honsa
► Zen Realty, LLC (NC)	PinJen Chen

Equus Capital Partners, Ltd.[®] is one of the nation's leading private equity real estate fund managers. Equus' portfolio consists of over 24 million square-feet of office, retail, and industrial properties and nearly 13,000 apartment units in 53 communities located throughout the United States.

Philadelphia | Yardley | Chicago | Washington, D.C. | Los Angeles | Raleigh | Atlanta | Boston

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