



CAPITAL PARTNERS, LTD.

ONE OF THE NATION'S LEADING REAL ESTATE FUND MANAGERS

InSITES

First Quarter | 2018



Equus Headquarters

Equus has Moved to Newtown Square

Equus has moved its Philadelphia area executive offices to a new 42,000 square-foot headquarters building located within its Ellis Preserve development, a 218-acre master planned mixed use community located in Newtown Square, PA. Ellis Preserve is owned by Equus affiliates and has been in various phases of development since 2004.

Located in the western suburbs of Philadelphia at the corner of Routes 3 and 252, Ellis Preserve is a campus style community that includes 1,000,000 square- feet of office space, which is 99 percent occupied, as well as a new and 100 percent leased 110,000 square-foot retail center to be anchored by Whole Foods. Also onsite is a recently opened 138 room Hilton Garden Inn, a 252-unit resort-style multi-family community known as Madison at Ellis Preserve, and 66 for-

sale townhomes. In addition, a national homebuilder is currently developing 76 carriage-style townhomes. The site adjoins the 100-acre, 650,000 square-foot North American headquarters of SAP America, Inc.

In moving to Ellis Preserve, Equus seeks for its employees, clients and visitors to experience first-hand the unique Ellis Preserve environment, the convenient amenities provided by the Ellis Preserve retail stores and restaurants, the Ellis Athletic Center and the vibrant residential growth now underway on site. The new HQ is part of Equus' vision to promote a happier, more engaging workplace environment while positioning the company for sustainable growth and success.

"For the past 14 years, we have worked diligently to bring our vision of Ellis Preserve to life," said Steve Spaeder,

President of Equus' development arm, BPG Development Company, L.P. "Ellis Preserve's location in the heart of Newtown Square, coupled with its unique setting among preserved historic buildings and the amenity rich campus, set it apart as an authentic live, work, play

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Acquisitions

Liberty Office Portfolio,
Metro Philadelphia, PA
Office | 591,436 SF

Dispositions

Valley Forge Office Pad Site,
Oaks, PA
Land | 28,000 SF

3003 Bunker Hill Lane,
Santa Clara, CA
Flex/R&D | 80,878 SF

University Office Park,
Waltham, MA
Office | 288,127 SF

2660 Audobon Road,
King of Prussia, PA
Land | 120,000 SF

Barbizon 63 Penthouse 4,
New York, NY
Residential Condominium | 5,646 SF

New Hires

Equus Capital Partners, Ltd.
Chicago, IL Office
Adam Seyfarth, *Financial Analyst*

BPG Development Company, L.P.
Newtown Square, PA Office
Eric Longnecker, *Development Manager*

BPG Management Company, L.P.
Newtown Square, PA Office
John Clyde, *Property Manager*

Equus Capital Partners, Ltd.
Newtown Square, PA Office
Laura Strickland, *Paralegal*

Equus Capital Partners, Ltd.
Newtown Square, PA Office
Robert Miller, *IT Specialist*

Equus Capital Partners, Ltd.
Newtown Square, PA Office
Andrew Peabody, *Asset Manager*



Reception Area and Entry Lobby



Second Floor Collaboration Areas



First Floor Café

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destination in the region."

Designed by D2 Groups, the new HQ space reflects element of Equus' equine-themed brand, while highlighting the firm's commitment to sustainable development. The headquarters space is airy and light, with 25' high vaulted ceilings supported by wood trusses in the motif of a traditional barn. Meanwhile 36,000 square-feet of reclaimed wood and multiple building artifacts preserved from the Berkshire Knitting Mills in Wyomissing, PA, (another Equus' redevelopment project currently underway) have been incorporated to provide stunning design elements throughout the Headquarters space.

"Our new headquarters at Ellis Preserve offers us a unique opportunity to demonstrate the breadth of our

expertise and financial wherewithal in support of our investment model," said Dan DiLella, CEO of Equus Capital Partners. "We have long known that the majority of job and population growth has been realized in those suburban areas that provide an energetic, creative and livable environment. Ellis Preserve, as the prototype of what we do as a company, will support our business goals of attracting and retaining talented employees in addition to being attractive to customers such as investors, lenders and tenants." ■



45 Liberty Boulevard, Malvern, PA

Equus Acquires 591,436 SF Office Portfolio in Philadelphia's Western Suburbs

In March 2018, affiliates of Equus Capital Partners, Ltd. ("Equus") acquired a 7-property, 591,436 SF office portfolio located throughout the desirable western suburban submarkets of Philadelphia for \$92,000,000. The acquisition was made on behalf of Equus Investment Partnership X, L.P. ("Fund X"), a \$361 million discretionary equity fund managed by Equus.

Due to an existing relationship, the transaction was completed on a direct basis with Liberty Property Trust (NYSE: LPT), a publicly traded REIT based in Malvern, Pennsylvania.

The properties are distributed throughout the King of Prussia/Wayne and Malvern/Exton office markets. These markets capitalize on the confluence of suburban Philadelphia's major road networks including Routes 202, 422, I-76, and the Pennsylvania Turnpike. Additionally, the subject micro-markets

are proximate to a mix of attractive amenities including The King of Prussia Mall, The King of Prussia Town Center, Uptown at Worthington, and SEPTA's Regional High Speed Line. These submarkets also benefit from their proximity to Philadelphia's prestigious "Main Line," which is considered one of the most affluent residential communities in the country with several of the highest-rated school districts in the State of Pennsylvania.

The portfolio consists of four Class B assets (440-460 E. Swedesford Road and 300, 400, and 500 Chesterfield Parkway) built between 1978 and 1988 and three Class A assets (45 Liberty Boulevard, 2100 Renaissance Boulevard, and 2201 Renaissance Boulevard) built between 1999 and 2000. Equus plans to reposition the portfolio and invest significant capital on renovations to both interior and exterior features as well as

the enhancement of amenity spaces and building systems.

"We are excited to add these properties to our growing presence in Philadelphia's dynamic western suburban marketplace. In our other local projects, we have successfully boosted rental rates and occupancy by modernizing well-located buildings in amenity-rich locations. The acquisition of this portfolio provides us an opportunity to continue this investment strategy with assets that enjoy similar features and yet unique property-level characteristics. Once repositioned, we believe that these assets will be highly coveted in our marketplace," commented George Haines, Vice President of Equus Capital Partners, Ltd., who along with Joseph Felici, Tim Feron, and David Thomas, oversaw the acquisition for the firm. ■

Equus Completes over \$99 Million in Sales During the Quarter



University Office Park, Waltham, MA



3003 Bunker Hill Lane, Santa Clara, CA

During the first quarter, Equus Capital Partners, Ltd. ("Equus"), completed two (2) commercial, one (1) residential condominium, and two (2) land property dispositions totaling \$99,755,000.

The commercial properties sold included University Office Park, a two-building, 288,127 square-foot office complex located in Waltham, MA, and 3003 Bunker Hill Lane, a two-story 80,878 square-foot office/R&D building located in Santa Clara, CA.

The land properties sold include 2660 Audobon Road, a 120,000 square-foot potential office development site located in King of Prussia, PA, and a Valley Forge office pad site which had been approved and improved for development of a 28,000 SF office building located in Oaks, PA.

The residential condominium sold was the final unit at The Barbizon, formerly a 306-room full service hotel which was converted to 69 luxury residential condo units located in New York City, NY. ■

Equus would like to thank the following brokers and their firms for helping us lease 1,297,948 SF in the 1st Quarter 2018:

▶ Atlantic Real Estate Group, LLC (MD)	John Blick
▶ Avison Young (FL)	Mark Montgomery
▶ Avison Young (TN)	Sue Earnest
▶ Broderick Group (WA)	Paul Jerue
▶ Carter Worthy Commercial, Inc. (NC)	M. Carter Worthy
▶ CBRE (AZ)	Bryan Taute
▶ CBRE (CA)	Anthony Podesta
▶ CBRE (IL)	Pete Adamo and William Elwood
▶ CBRE (IN)	Zane Brown
▶ CBRE (MD)	Charlie Carroccio and Frank Graybeal
▶ CBRE (NY)	Jim Silberfein
▶ CBRE (PA)	Steve Gersbach
▶ CBRE Raleigh, LLC (NC)	Ege Patterson and Ann Stewart
▶ Coldwell Banker Commercial (IN)	Erin Ahonen
▶ Colin Fleming (PA)	Allan Domb
▶ Colliers International (CA)	Dion Campisi, Chris D'Ambrosia, Stephen J. Gibson, Susan Gregory, and Cynthia Rotwein
▶ Colliers International (PA)	David Dickson
▶ Colliers International (VA)	John Lesinski
▶ Cresa Los Angeles (CA)	Carlo Brignardello
▶ Cushman & Wakefield (FL)	Traci Jenks and Tony Terrell
▶ Cushman & Wakefield (IN)	Spud Dick
▶ Cushman & Wakefield (MD)	Rick Farren and Megan Williams
▶ Cushman & Wakefield (MN)	Visall Quarton
▶ Cushman & Wakefield (TN)	John Ward
▶ Entrust Realty Advisors (IL)	Jim Clark
▶ Howard Perry & Walston Commercial, LLC (NC)	David Scanland Peterson
▶ J.F. Esselman, Inc. (IN)	Jack Esselman
▶ Jones Lang LaSalle (AZ)	Pat Williams
▶ Jones Lang LaSalle (IN)	John Robinson and Abby Zito
▶ Jones Lang LaSalle (MD)	Amanda Davis
▶ Jones Lang LaSalle Brokerage, Inc. (NC)	William M. Sandridge and Alfred Williams V

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Equus Capital Partners, Ltd. Announces 469,000 SF of Warehouse Leases with Procter & Gamble and Rubbermaid

Equus Capital Partners, Ltd. ("Equus"), one of the nation's leading private equity real estate fund managers, announced that it has entered into a lease agreement with Procter & Gamble ("P&G") for 182,000 SF of warehouse distribution space (within a to-be-developed 356,700 SF facility) in the Mid-Atlantic 81 Logistics Park in Martinsburg, West Virginia.

The Mid-Atlantic 81 Logistics Park is located off of Exit 8 along the Interstate 81 ("I-81") corridor in Berkeley County, West Virginia, approximately 85 miles west of Washington, D.C. Equus commenced construction on the 356,700 SF Class A industrial project in early April 2018. Equus intends to complete the development by the 4th quarter 2018. For P&G, the 182,000 SF lease represents a continuation of the company's growth in Berkeley County, West Virginia. In 2015, P&G acquired a 450-acre industrial site within a half mile of the Mid-Atlantic 81 Logistics Park where the company is developing one of its largest manufacturing plants in the country. The 182,000 SF leased from Equus will be warehouse/distribution space used to support manufacturing operations.

Equus' 356,700 SF Class A industrial project possesses the following attributes: 32' clear height, energy efficient T5

interior lighting, 50' x 50' column spacing, ESFR sprinkler system, 7" concrete floors and a 180' truck court. The new building will sit on a 25-acre parcel within the 150-acre Mid-Atlantic 81 Logistics Park; the 125-acre balance will allow Equus to develop up to an additional 1,400,000 SF in multiple buildings.

The P&G lease transaction represents 51% of the first building and will leave a 174,700 SF block of space available for lease. Availability of quality space in the region is scarce and Equus anticipates identifying a tenant for the balance of the building prior to project completion.

"Equus Capital Partners, Ltd. is extremely proud to partner with The Procter & Gamble Manufacturing Company. The lease with P&G represents the opportunity to commence a development project which announces to the user community that the Mid-Atlantic 81 Logistics Park is open for business," stated Dan DiLella Jr., Senior Vice President of Equus Capital Partners. "P&G located their manufacturing facility in this region because of the excellent access to Mid-Atlantic population centers via I-81. Equus' development site should appeal to numerous additional build-to-suit users looking to benefit from the same dynamics."

P&G was represented in the transaction

by Bob Martindale and Jim Clarke of Jones Lang LaSalle. Equus was represented by John Lesinski and Ben Luke of Colliers International.

Equus possesses additional industrial holdings in the region and recently executed a lease with Rubbermaid Commercial Products for 100% of a 287,000 SF warehouse distribution building currently being developed in Frederick County, Virginia, 15 miles south of the P&G site. Construction of the Class A project commenced in early September 2017 and is scheduled for completion in June 2018. Rubbermaid will take occupancy on August 1, 2018. This project sits within the Stonewall Industrial Park at Exit 317 of I-81 in Winchester, VA. In 2016, Equus completed two industrial projects at Stonewall, which are both now 100% leased including a 400,400 SF build-to-suit for Fiat-Chrysler America (FCA).

With more than \$4 billion of assets under management, Equus is an experienced real estate development firm and fund manager with significant equity and debt resources. In addition to FCA, Equus has completed build-to-suit industrial projects for Mercury Paper and McKesson Corporation along I-81 in Virginia. ■



Stonewall Industrial Park, Winchester, VA

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Equus would like to thank the following brokers and their firms for helping us lease 1,297,948 SF in the 1st Quarter 2018:

► Junnla Companies (MN)	Tom Junnla
► Kidder Mathews (CA)	John Olenchak
► Kidder Mathews (WA)	Dan Harden, Joe Lynch, and Lindsey Todd
► Kinzer Partners (WA)	Adam Brennenman
► KW Commercial North Raleigh, LLC (NC)	Thomas Mallrey Eldridge
► NAI Carolantic Realty (NC)	Edward B. Brown III, John Burns Hibbits, Richard L. Hibbits, and Norman H Wyche III
► Newmark Knight Frank (CA)	Thomas Todd
► Newmark Knight Frank (MA)	Dan Krysiak and Drew Nelson
► Ninja Realty (NC)	Anita Outlaw Bah
► Thomson Commercial Partners, LLC (NC)	Dewitt Bruce Thomson
► Transwestern (MD)	Cricket Cleary and Guy Copperthite
► Transwestern (MN)	Mike Honsa and Mike Salmen

Equus Capital Partners, Ltd.® 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.

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

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