



August 3, 2015

LEM Capital Closes \$7 Million Joint Venture Transaction in Florida

Philadelphia, PA - LEM Capital, L.P. ("LEM"), a real estate fund manager with more than \$780 million of committed capital, has funded a \$6.97 million joint venture investment for the acquisition and renovations of The Fountains Apartments ("Fountains") and Landmark at Waverly Place Apartments ("Waverly", together, the "Portfolio"). Fountains is a 542-unit property located in Palm Beach Gardens and Waverly is a 208-unit property located in Melbourne, Florida. Plans are to execute a value-add strategy for the Portfolio, which will include improvements to the building exteriors, upgrades to the clubhouse and amenity packages, minor renovations to the unit interiors, addressing deferred maintenance, and improving management through our local partner.

The Portfolio contains a mix of one, two, and three bedroom units featuring open floor plans with patios or balconies. Fountains is located in Palm Beach Gardens and is conveniently located less than five miles from the ocean and its accompanying tourist beaches. Known as the "Golf Capital of the World" with 12 professional golf courses within the city limits, Palm Beach Gardens features high-end retail, restaurants, hotels, and a variety of employment drivers. Fountains benefits from excellent highway access to both I-95 and the Florida Turnpike, and is proximate to the heavily traveled intersection of PGA Boulevard and Military Trail. Waverly is located in the city of Melbourne, 65 miles southeast of Orlando, in the heart of Florida's Space Coast. In addition to being a tourist destination, Melbourne has a strong economy rich in defense, aviation, and technology companies.

"Fountains was extensively renovated in the early 2000's with condominium quality interior finishes and Waverly received interior upgrades in 2012." said Jay Eisner, a founding partner at LEM. "Our partner's management expertise combined with improvements to the properties' curb appeal and amenities should create substantial value for the partnership.

About LEM Capital

LEM Capital manages a series of private equity funds with more than \$780 million of committed capital. Since 2002, LEM Capital has provided structured debt and equity solutions for real estate owners, including joint venture equity, senior equity, preferred equity, mezzanine loans and subordinate financing.

LEM is currently focused on senior equity investments in institutional quality, value-add multifamily properties in primary markets throughout the United States. LEM invests with a select group of experienced local operators with vertically integrated organizations skilled at renovating, repositioning and managing properties. LEM's investments are generally \$3 million to \$10 million and may be larger in specific situations or for portfolios.

Partnering with local operators to grow their portfolio of value-add multifamily properties by providing equity, expertise and capital markets relationships.

KEY CHARACTERISTICS:

Locally focused, vertically integrated multifamily owners with a proven track record

INVESTMENT SIZE:

Equity of \$3-\$10 million (larger for portfolios)

STRUCTURES:

Joint venture equity with a senior/sub waterfall, offering increased promote to our partners

MARKETS:

East Coast, West Coast, Chicago, Nashville, Denver, Minneapolis, Major Cities in Texas, others on a select basis

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