



February 23, 2016

LEM Capital Closes \$9.2 Million Joint Venture Transaction in Eagan, Minnesota

Philadelphia, PA - LEM Capital, L.P. ("LEM"), has funded a \$9.2 million joint venture investment for the acquisition and renovation of Royal Oaks (the "Property"), a 231-unit multifamily property in Eagan, Minnesota. The Property was acquired in partnership with a locally based, vertically integrated owner/operator that owns more than 9,000 multifamily units. The sponsor's value-add business plan includes painting the exteriors, upgrading landscaping, remodeling the clubhouse and renovating interiors.

Royal Oaks is a garden style asset that was built in 1987 and features a mix of one- and two-bedroom units with spacious walk out balconies. The Property is centrally located in Eagan and highly accessible to several major arteries, including I-35E, I-494 and Route 77, which connect Eagan to downtown Minneapolis and St. Paul. Together, the Twin Cities are home to the corporate headquarters of sixteen Fortune 500 companies. Eagan is also home to numerous employers, including the headquarters of Thomson Reuters and Blue Cross Blue Shield of Minnesota, Ecolab, USPS and UPS. Royal Oaks features proximity to quality retail outlets, including a nearby shopping center anchored by an upscale supermarket and a 450,000 square foot mixed-use retail and medical office project which is scheduled to open in the fall of 2016.

"We are excited to announce the acquisition of Royal Oaks with a new operating partner in a vibrant submarket of the Twin Cities," said Jay Eisner, a partner at LEM. "The plan to enhance the Property's exteriors, upgrade unit interiors and fully remodel the clubhouse and fitness center should drive increases in cash flow and help create value for our investors."

About LEM Capital

LEM Capital was founded in 2002 and manages a series of private equity funds with more than \$830 million of capital commitments. Since 2011, LEM has acquired over 10,000 institutional quality, value-add multifamily units in primary markets throughout the United States in partnership with experienced local operators that have vertically integrated organizations skilled at renovating, repositioning and managing properties. LEM's investments are generally \$5 million to \$12 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 \$5-\$12 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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