



January 19, 2015

**LEM Capital Announces Multifamily Structured Equity Origination Goals for 2015; Closes \$7.5 Million Joint Venture Transaction in Denver, Colorado**

Philadelphia, PA - LEM Capital, L.P. ("LEM"), a real estate fund manager with more than \$690 million of committed capital, today announced the firm's 2015 origination goals, continuing the firm's successful business of investing with high-quality, local real estate operating companies to acquire value-add multifamily properties. LEM invests in acquisitions and recapitalizations of apartment properties (including senior housing and student properties) located in infill locations in primary markets on the east and west coasts, the four major cities in Texas, Nashville, Chicago, Minneapolis, Denver and other cities on a select basis. "We have an equity investment target for 2015 of at least \$100 million, or 15 to 20 value-add acquisitions where we see the ability to manufacture yield through capital improvements and better management," said Jay Eisner, a founding partner of LEM. "Strong multifamily supply and demand fundamentals should continue to generate attractive investment opportunities, particularly in the Class B multifamily sector. By investing in well-occupied properties in infill locations with diverse employment drivers, we seek growth in rents and values as a result of implementing our value-add business plans."

LEM's structured equity program provides up to 85% of the required equity behind the senior mortgage debt. "Our structured equity program continues 12 years of addressing the needs of our clients in our established niche - providing solutions to middle-market multifamily value-add owners and operators," said Herb Miller, a founding partner of LEM. LEM typically targets equity investments ranging between \$5 million and \$10 million per property, with total capitalizations ranging from \$20 million to \$50 million.

LEM is also pleased to announce the funding of a \$7.5 million joint venture investment for the acquisition and renovation of Bear Valley Park Apartments ("Bear Valley" or "the Property"), a 260-unit multifamily property located in Denver, Colorado. The value-add business plan for the Property includes interior unit renovations, enhancements to the Property's exterior curb appeal and upgrades to the amenity package.

"The lack of new supply in the Lakewood submarket combined with the Property's excellent highway access, large and open floor plans and proximity to employment centers should enable Bear Valley to attract a high quality tenant and generate value for our investors," said David Lazarus, a partner at LEM. "The Property's panoramic mountain views and location adjacent to parks and bike trails provide additional amenities that are highly valued by our prospective tenants."

Bear Valley was built in 2003 and features a mix of one and two bedroom units, all with patios or porches. The Property includes 122 detached garages and an amenity package that consists of a newly-renovated clubhouse with a business center, state-of-the-art fitness center, heated outdoor swimming pool, internet café, BBQ area and fire pit. The Property is located in Lakewood, an infill submarket west of downtown Denver with strong demographics, high barriers to entry and minimal new construction. The Property is immediately adjacent to Highway 285 (Hampden Avenue) and Sheridan Boulevard, which affords residents with quick, convenient access to three of the area's major thoroughfares, I-25, South Santa Fe Drive and C-470 which allow for easy commutes to the Denver MSA's largest job hubs. This is LEM's first transaction in Denver. The firm's local operating partner is an experienced owner-operator who focuses on acquisitions and property management in the major Colorado markets.

**About LEM Capital**

LEM Capital manages a series of private equity funds with more than \$690 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; Denver, Major Cities in Texas; others on a select basis

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