



September 9, 2015

LEM Capital Closes \$4 Million Joint Venture Transaction in Colorado Springs, Colorado

Philadelphia, PA - LEM Capital, L.P. ("LEM"), a real estate fund manager with more than \$780 million of committed capital, has funded a \$4.0 million joint venture investment for the acquisition and renovation of Union Heights (the "Property"), a 220-unit multifamily property located in Colorado Springs, Colorado. The value-add business plan contemplates transforming the clubhouse and amenity package by reconfiguring and expanding the fitness center, expanding the pool deck and adding a hot tub, with unit interiors receiving new appliances and other renovations. Curb appeal enhancements should allow the property to capitalize on the Property's excellent frontage and high visibility at the intersection of two major arterials in the Northeast submarket of Colorado Springs.

Union Heights is a garden style asset that was built in 1984 and features a mix of one- and two-bedroom units. The Property is located in northern Colorado Springs and benefits from scenic views of Pikes Peak, walking distance proximity to a Target and Safeway anchored retail center, and the rapidly expanding University of Colorado at Colorado Springs. Union Heights' submarket features strong demographics, substantial job drivers, and minimal new construction. The Property is located less than four miles from the I-25, which is the MSA's most heavily traveled north/south artery and the primary driving route to Denver. The Property was acquired in partnership with a repeat LEM sponsor who is a vertically integrated multifamily owner and operator headquartered in Colorado Springs.

"The acquisition of Union Heights represented an opportunity to purchase a high quality asset and implement a value-add renovation program with a high-quality local operator" said David Lazarus, a partner at LEM. "The Property's central location, ability to attract a high quality tenant, and excellent highway access should enable LEM to generate value for our investors."

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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