

September 2014

**ADVALUREM GROUP JOINT VENTURE ACQUIRES 1000 FLORAL VALE**

Advalurem Group is pleased to announce the acquisition of ownership interest in 1000 Floral Vale, a recently built, Class A, 87,155 sf office building located within the Philadelphia MSA in Lower Makefield Township, Yardley, Pennsylvania.



The Property was built in November 2009 to institutional, energy-efficient and environmentally safe design standards, earning it a LEED Gold certification among other accolades. It is the newest and one of the most sophisticated buildings in its submarket. The Property is 80% leased primarily to two ‘investment grade’ tenants on long-term leases with extension options. All tenants entered into lease agreements post-recession and represent first generation space at market terms. The Property is located in a high-income demographic area of northern Philadelphia, proximate to many employment demand drivers, transportation networks and commercial retail nodes. Lower Makefield Township remains one of Philadelphia’s more prominent submarkets, ranking #1 wealthiest area in Pennsylvania and consistently is a top finisher in CNN/Money’s rankings of “Best Places to Live” in the U.S.

AG’s local partner was able to negotiate a favorable price with a high going-in unlevered yield. The purchase price represents a significant discount to replacement cost as valuations were much higher during the last real estate cycle. The re-setting of basis from the developer’s building costs allows AG and its local partner, Pembroke Hobson, an ability to competitively price the remaining space, offering a high quality real estate investment that exhibits stable cash flow with discernible upside.

Advalurem Group is a real estate investment firm that specializes in providing equity for middle-market commercial real estate. The firm targets moderately sized real estate investments through joint venture structures and aims to become the leading equity source for this market segment. The group invests across all major property sectors and along the risk/return spectrum with an emphasis on core-plus and value-added strategies. Advalurem Group is managed by investment professionals who have extensive real estate private equity and investment management experience. The firm is based in New York.

For more information, please contact us at [info@advaluremgroup.com](mailto:info@advaluremgroup.com).