

January 2016

**ADVALUREM VENTURE RECAPITALIZES PRIME DALLAS MULTIFAMILY**

**Advalurem Group** is pleased to announce the completion of a preferred equity investment in Bella Madera at Lake Lewisville in Lewisville, Texas. The 612-unit, Class A, garden-style apartment community is located in one of the fastest growing areas of Dallas.



Advalurem initially completed a common equity investment with its partner, BRES, after the partnership purchased Bella Madera at Lake Lewisville in 2013. At the time of acquisition, the partnership assumed an existing first mortgage loan and secured preferred equity financing from Harbor Group International. At the current market value of \$65.6 million, the venture refinanced the property concurrently with the recapitalization of the partnership.

The firm's thorough understanding of the Dallas market, having sold an asset in the same market and proactively seeking to add value to the venture enabled it to capitalize on this new opportunity. "Advalurem was the logical capital partner for this investment as we were already in the common equity, we had proposed the recapitalization to the venture, and the transaction size fit well with our mid-market strategy," said Gabriel Pozo, Principal and Founder of Advalurem Group.

As part of the recapitalization, Advalurem Group funded the balance necessary to pay off Harbor Group International. The recapitalization of the partnership effectively increased Advalurem's ownership stake and voting rights in the management of the property. "Not many investment managers are willing to commit to a transaction of this size, let alone invest at different points of the equity capital structure," added Fred Scott, Principal of Advalurem Group.

Built in 2009, Bella Madera at Lake Lewisville proves to be a desirable residence with an occupancy of 96%. The Tuscan-designed buildings with resort-style amenities create a charming community that provides a comfortable living lifestyle in a tranquil, suburban setting. Tucked away from Dallas city living, the complex is still only moments from major business districts including Legacy and Las Colinas, shopping areas, places of worship, recreation, and much more.

**About Advalurem Group**

*Advalurem Group is a nationally focused, privately held investment and asset management firm that specializes in middle-market commercial real estate. The firm targets moderate-size real estate investments through joint venture structures and aims to become the leading capital partner of 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. Since its formation in 2011, Advalurem Group has invested in approximately \$250 million of commercial properties in Dallas, Chicago, Philadelphia and other cities across the country. The firm is based in New York.*

For more information, please visit [www.advaluremgroup.com](http://www.advaluremgroup.com).