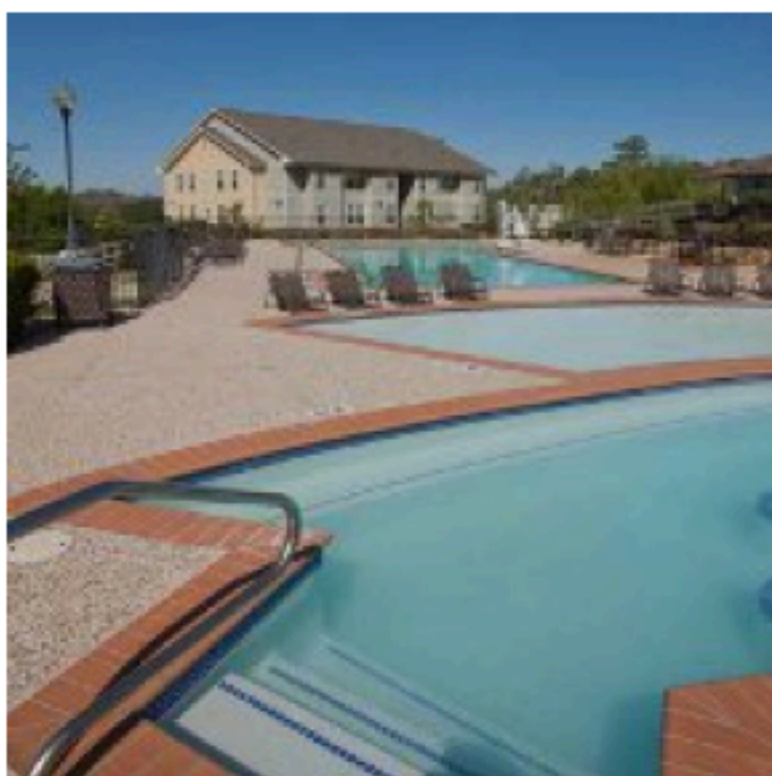


## Vesper Pays \$12M for Aberdeen Place

By Amy Wolff Sorter



Vesper buys Aberdeen Place for \$12M, plans some upgrades.

*RealShare Student Housing will take place May 14-15 at the Four Seasons Resort & Spa in Las Colinas. [Click here](#) for more information.*

HUNTSVILLE, TX-**Vesper Holdings** continues toward its goal of a \$1 billion student housing portfolio with its acquisition of the 528-bed Aberdeen Place. The New York City buyer paid \$12.675 million for the class A, five-year-old asset, which equates to a 7.9% cap rate.

According to Vesper co-founder and principal Isaac Sitt, the student housing complex at 1410 Inverness St. had some distress, with seller **Blue Vista Capital Partners** of Chicago striking a deal with lender **Wells Fargo N.A.** to sell the asset and pay off the existing debt. Sitt tells **GlobeSt.com** that other interested buyers offered a higher price, "but we offered a 30-day close, all-cash purchase."

The complex, which serves **Sam Houston State University**, is in good shape, and Sitt says Vesper will invest \$750,000 more in upgrades. This will include renovating the clubhouse and swimming pool, as well as adding more amenities. "We need to spend on amenities to compete with and exceed the competition," Sitt explains. He goes on to explain that Vesper is working on developing a student housing brand, meaning Aberdeen Place and the College Station, TX-based Campus View and Campus View East, which **Vesper bought in March, 2011**, will be renamed at some point.

Sitt says a closing on another student housing property is imminent, while Vesper continues to seek out more. Right now, the buyer has approximately \$200 million of assets in its collection, and it's interested in building a quality portfolio that might appeal to institutional investors or the general public at some point. Student housing trades at a higher cap rate than traditional multifamily properties, Sitt points out. Furthermore, at least in Texas, the secondary school markets are starting to see a growth in demand as the larger schools continue to cap enrollment.

"We intend to play on that trend," he adds. "We're looking for barriers to entry and good value; with a lot of focus on those secondary Texas markets."