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## Vesper Acquires Student Housing Near JMU for \$19M

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Harrisonburg, Va.—Vesper Holdings, a privately held real estate investment firm based in New York City, has acquired University Fields in Harrisonburg, Va. The property is a 1,152-bed student-housing community located near the James Madison University (JMU) campus.

The property consists entirely of four-bedroom units that range in size from 1,100 square feet to 1,200 square feet. Common amenities include a clubhouse, outdoor swimming pool, fitness center, tennis court, basketball court, volleyball court and a business center. The apartments are fully furnished and feature fully equipped kitchens, walk-in closets, mini-blinds, high-speed Internet access, and balconies and patios with storage.

Last month Vesper purchased the non-performing note secured by University Fields for \$19 million. The borrower had purchased University Fields for over \$30 million in 2003 and owed roughly \$25 million to the lender at the time of the note purchase, according to Vesper. The company was able to complete the note acquisition in less than four weeks, and last week foreclosed on the note and secured the ownership of University Fields. The company predicts that the acquisition will generate net double-digit cash yields.

Vesper Holdings' portfolio includes student housing, retail, mixed-use, office buildings and parking structures. In 2010, the company launched a fund dedicated to acquiring multifamily properties near university campuses throughout the United States. Currently, Vesper has about 6,000 student housing beds, and it anticipates growing its portfolio in that segment to 15,000 beds within the next two years.

James Madison University, located in the Shenandoah Valley, has an enrollment of nearly 20,000. The school has been expanding rapidly in recent years—including expansion on the site of the former Rockingham Memorial Hospital, which JMU bought in 2005—and now includes nearly 150 buildings on 721 acres. University Fields is about a quarter mile from campus.