



Advalurem Group provides sponsor equity to assist operating partner BRES

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Advalurem Group (AG), a real estate investment management firm focused on middle-market real estate, provided sponsor equity to assist its operating partner, Block Real Estate Services (BRES) in the \$41 million acquisition of ranch at Pinnacle Point, a class A, 392-unit apartment community. The partnership of AG and BRES purchased the asset alongside Balfour Beatty, a prominent multifamily developer with 44,000 residential units and \$5.5 billion of assets under management.

"This transaction demonstrates our ability to assist longstanding operating partners in various ways, either through straight joint ventures or when the deal gets larger, through sponsor equity investments," said Gabriel Pozo, Principal and Founder of Advalurem Group. Ranch at Pinnacle Point, constructed in 2007, was built to institutional quality standards and features a luxury amenity package. The Property is located in the affluent and growing submarket of Bentonville-Rogers, Arkansas and is less than 4 miles away from the corporate headquarters of Wal-Mart. The asset was sold with an existing loan in place and because of the loan's restrictive prepayment term, the partnership was able to invest at a favorable basis. The venture plans to add additional value through the optimization of effective rents and by improving curb appeal and upgrading select units. "Given the overheated nature of many of the primary multifamily markets, we are not afraid, through extensive diligence, to invest in second and third tier markets such as Rogers, Arkansas, that possess primary demand drivers." said Fred Scott, Principal.

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