

MULTI-HOUSING NEWS

Eagle Sells Renovated 1969 Prop. For \$60M

AUGUST 11, 2005 -- Garden Grove, Calif.--Eagle Real Estate Group has sold the Crystal View Apartment Homes, a 402-unit apartment community here, for \$60.2 million to New York City-based Black Rock, an investment management firm. The transaction was brokered by the Costa Mesa, Calif. office of Moran & Co.

"Crystal View is a prime example of Eagle's basic business strategy. The community was built in 1969 and was financed by the prior owner in 1998. Eagle executed a complete face lift and refinanced the complex bond structure, ultimately positioning the community for sale to a high-quality institutional buyer," said Randall Friend, co-founder and principal of Eagle Real Estate Group.

The property, located on a 10.7-acre site that borders the cities of Anaheim and Orange, was acquired by Eagle in 2002. The firm spent \$4.83 million in capital improvements, with significant interior and exterior upgrades and enhancements. These include architectural improvements, extensive landscape renovations and a completely remodeled clubhouse and leasing office. Over its 32-month holding period, Eagle generated a cash-on-cash yield of 132 percent and 49.53 percent cash-on-cash per annum yield.

"We were able to leverage tax-exempt bond financing to rehabilitate and enhance the Crystal View Apartments, ultimately creating a mixed-income community where low-income families live in the same community with families who can afford market rates," said Kenneth Melton, co-founder and principal of Eagle Real Estate Group.