



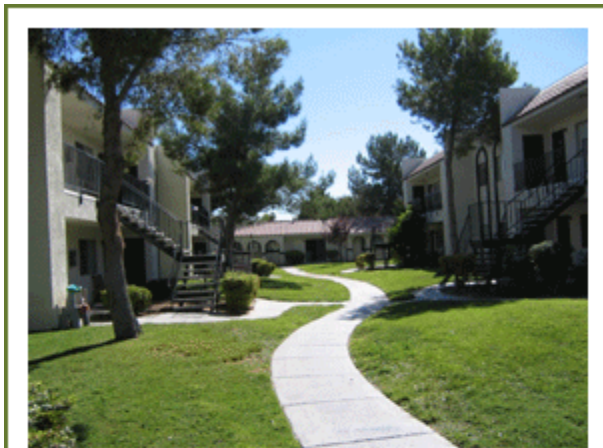
November 4, 2004 – Eagle Eyes Vegas Market After \$82.5 Mil Portfolio Buy

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Full Story:

Eagle Real Estate Group, an Orange County-based apartment investment firm, has just wrapped up a major acquisition in Las Vegas, having purchased “The Springs Portfolio.” The acquisition, which consists of three apartment communities totaling 1,259 units near the Las Vegas Strip, cost \$82.5 mil (\$65.5k/unit). It was sold by the Sherman Miller Family Trust, the portfolio’s original developer.

Located near The Palms, The Rio, and Gold Coast hotels and casinos, The Springs is the largest apartment community in the Las Vegas market. It boasts a superior location and offers tremendous investment potential. Eagle plans to invest \$5 mil in property upgrades and renovations.



The Springs apartments, Las Vegas

The Springs Portfolio includes:

- “The Creeks” – 344 units at 2850 East Bonanza Rd, with average rents ranging from \$525 – \$810 per month.
- “The Woods” – 192 units at 4600 Vegas Dr, with average rents ranging from \$550 - \$700 a month.
- “The Springs” – 723 units at 3756-3880 Wynn Rd, with average rents ranging from \$525 – \$810 a month.

According to Las Vegas Review Journal (Sept. 19, 2004), Las Vegas rents have been soaring and apartment vacancies are dwindling.

“Our business plan is to execute capital improvements, reposition the properties and hold the portfolio for three to five years. Considering the nature of the market and the exponential population growth in Las Vegas, this should be a sufficient time period to meet our goals,” said Randall Friend, co-founder and principal of Eagle Real Estate.

Merrill Lynch is lending approximately 80 percent of requisite funds to purchase The Springs Portfolio. Bank of America is providing Eagle Real Estate Group with \$10.5 mil of mezzanine financing. Eagle and its investors provided the remaining equity. Marcus & Millichap

brokered the deal, while the financing was arranged by Troy Tegler at LJ Melody & Co.

Earlier this year, Eagle Real Estate Group sold Country View Apartments, a 204-unit multifamily community located in Diamond Bar for \$34.10 mil, which resulted in 120 percent total return for its investors. It also sold a five-property, 589-unit portfolio in Ontario for \$56.3 mil, which earned a 91.58 percent total return in just 39 months. The company is now reinvesting much of its profits throughout the Western United States.

Founded in 2000, Eagle Real Estate Group is a privately owned apartment investment firm that operates in select markets throughout the Western US including Las Vegas. The company targets individual properties and portfolios with a minimum acquisition price of \$20 mil in opportunistic target markets.