



A wrap-up of
the week's top stories

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OFFERINGS

Harrison Street Fund Raises \$430 Million

Harrison Street Real Estate Capital has closed Harrison Street Real Estate Partners II with approximately \$430 million in equity. The opportunity fund is focused on U.S. market sectors in which the demand comes from storage, healthcare and education. These recession-resistant sectors include off-campus student housing, medical office buildings, senior housing, self-storage and boat storage.

The oversubscribed fund received commitments from 40 investor groups including U.S. and European pension funds, insurance companies, endowments, foundations and family offices. The \$7 billion Public Safety Personnel Retirement System of the State of Arizona committed \$80 million to the fund, along with an additional \$45 million for co-investments.

The fund already has closed on a number of investments, including development of student housing at Arizona State University and the University of Denver; ownership of student housing adjacent to UNC Chapel Hill, the University of South Carolina and Texas State University; medical office properties and developments in Southern California, Virginia, Kansas and Phoenix; senior housing properties in Phoenix, southeast Michigan and Minnesota; the development of a boat storage facility in Ft. Lauderdale, Fla.; and storage facilities in suburban Chicago, Southern California, South Florida and Charlotte, N.C.

Harrison Street intends to launch smaller, more focused funds on an 18-month to 24-month basis in order to take advantage of the pricing inefficiencies that currently

exist at the smaller end of the market in the segments in which the firm focuses.
Released 7/23/08

Giuliani Partners, Berman Enterprises to Launch Property Fund

Giuliani Partners, a consulting firm founded by former New York City Mayor Rudy Giuliani, and Rockville, Md.-based Berman Enterprises plan to sponsor a real estate fund that will focus on acquiring commercial and residential assets primarily on the East Coast, reports *The New York Times*.

The new fund, Berman Enterprises Opportunity Fund, is expected to target \$500 million to \$750 million in equity, primarily from foreign investors interested in taking advantage of the weak U.S. dollar.

The fund will seek approximately 15 to 16 European investors willing commit \$50 million to \$75 million each to the fund, Jeffrey Berman, a partner with Berman Enterprises, tells *Commercial Property News*: "The euro is so much stronger than the dollar that our assets look especially cheap. And, [even] with all our turmoil, the U.S. is still considered a safe harbor investment." The fund primarily will target real estate investments on the East Coast, especially Florida, New York City and Washington, D.C. Property investments on the West Coast also will be considered, Berman adds.

Family-owned Berman Enterprises will be responsible for raising 10 percent of the fund's capital. Minimum investments in the fund will be \$25 million, Berman tells *The New York Times*.

Anthony Carbonetti, a managing director at Giuliani Partners, and Geoffrey Hess, a managing partner at the firm, will oversee the fund. *Sources: Commercial Property News, 7/21/08; The New York Times, 7/20/08*

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