



June 21, 2010

Harrison Raises \$165M for New Asset Fund

By Robert Carr



CHICAGO-Harrison Street Real Estate Capital LLC has gained \$165 million in investment to get its third fund off the ground. The locally-based firm plans to raise \$500 million total for the Harrison Street Real Estate Partners III LP, with property types including senior housing, student housing, medical office buildings and storage facilities.

Chris Merrill, co-founder, president and CEO of the firm, tells GlobeSt.com that purchases of property will begin in the next 30 to 60 days. "We've got a few assets under contract," he says. "Our strategy allows us to acquire and develop product. We're also able to purchase from lenders, or sellers that have some level of distress." He says investors include US and European corporations and pension funds, foundations, family offices and endowments.

In the first five months of 2010, the company has invested more than \$250 million in the storage, student housing and senior segments, through its first two funds. The properties include a joint-venture with Extra Space for a portfolio of self-storage properties, the development of an off-campus student housing property at Texas Tech, an acquisition of a student-housing property near Indiana University and the development of a memory-care facility in Needham, MA. With these purchases, the firm owns and manages a portfolio of 178 properties in 32 states.