Simpson and Heitman arranged equity cap. for 365,000 s/f apartment development

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Savills has arranged joint venture equity capitalization on behalf of Simpson Housing for the development of a 365,000 s/f rental apartment property to be developed in downtown.

Upon completion, The Victor will feature 286 apartments, 138 parking spaces and 17,000 s/f of ground-floor retail space. The property, which sits above the "Big Dig" tunnel system in downtown, will become the first major apartment development project to break ground in the city since the economic downturn of 2008.

The project will be owned by a newly formed joint venture between Simpson Housing and an affiliate of Heitman. The new partnership will develop and own the property, subject to a long-term ground lease on the underlying land, held by the Massachusetts Department of Transportation. Simpson Housing will oversee construction and will manage the property following completion.

"Savills' depth of experience in the capital markets, combined with Simpson Housing's best-in-class reputation and the strength of The Victor project, were critical factors in arranging joint venture equity for one of the first major new apartment development projects on the East Coast since the collapse of the financial markets in 2008," said Jeffrey W. Baker, executive managing director of Savills LLC. "This transaction demonstrates confidence in the strong fundamentals for the multifamily sector and the availability of capital for top-quality development projects led by premier sponsors."

The Victor project is designed to achieve a Silver LEED Certification from the U.S. Green Building Council. Building amenities will include a fitness center featuring a sport court, a resident lounge and roof garden, concierge, plus a business center and tenth-floor roof deck. Unit finishes will feature stainless steel appliances, hardwood flooring in living areas, contemporary Italian cabinets, granite countertops and tile-in bathrooms. Construction is expected to be completed by mid-year 2013.

About Simpson Housing LLLP

Established in 1948, Simpson Housing LLLP is a national, fully-integrated real estate development and portfolio management firm. Primarily focused on the multifamily market, Simpson builds and operates high quality, residential communities throughout the United States. As one of the largest privately held owner, developer and managers of apartment communities in the nation, it is organized to deliver a comprehensive range of real estate servicesâ€"including development, property management, construction, acquisition, marketing and financing.

About Heitman LLC

Heitman, founded in 1966 and headquartered in Chicago, manages over $23 billion in assets

invested directly and indirectly in real estate in North America, Europe and Asia. The firm's clients include US and international institutions, pension plans, endowments and foundations, and individual investors.

About Savills LLC

Based in New York, Savills LLC is a real estate investment banking firm offering investment sales, debt and equity placement, and advisory services. Savills LLC serves as the North American headquarters for UK-based Savills plc.

The professionals of Savills LLC have executed more than $30 billion in real estate transactions throughout their careers spanning the full range of property types, including office, medical office, retail, multifamily, industrial and hospitality. Formerly known as Granite Partners, the firm was acquired in 2007 by UK-based Savills plc.

Listed on the London Stock Exchange, Savills plc is one of the world's leading real estate advisors, with an international network of 21,000 employees and advisors in more than 200 offices throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

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We would be happy to provide you with a rendering.

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