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FOR IMMEDIATE RELEASE

BASCOM GROUP ACQUIRES 275-UNIT CLASS A APARTMENT COMMUNITY IN DENVER, COLORADO FOR \$92,500,00



Irvine, California, May 24, 2018 – The Bascom Group, LLC (“Bascom”) has acquired Modera at Observatory Park Apartments (“Observatory Park”), a 275-unit Class A newly constructed infill apartment community located in the vibrant city of Denver, Colorado at 1910 S Josephine St, Denver, CO 80210. The \$92.5 million acquisition (\$336,364/unit) closed on May 24, 2018. Charles Halladay and Jamie Kline of Holliday Fenoglio Fowler (“HFF”) arranged the \$66.75 million loan with TH Real Estate. The broker on the sale was Tim Shunta of National Realty Advisors, LLC. The property management team will be Mill Creek Residential.

The property was purchased with investment proceeds derived from the sale of a successful 20-year investment in industrial and self-storage properties in Southern California. These properties were acquired and later sold with Bascom’s industrial affiliate, the Southern California Industrial Fund and its Managing Member, The Magellan Group.

Built in 2017, Observatory Park is centrally located less than a half-mile from The University of Denver campus with convenient proximity to Denver’s major retail, restaurant and employment centers. Residents benefit from excellent access to some of Denver’s largest employers in Downtown Denver, Denver Tech Center, Inverness Business Park and Meridian International Business Center, where Companies such as DaVita, Arrow Electronics, DISH Network and

Newmont Mining are located. Observatory Park provides residents access to outstanding outdoor and retail amenities including the historic Pearl Street restaurants and upscale Cherry Creek neighborhood. Located in the South East Light Rail Corridor, Modera's residents are less than ½ mile from the University Light Rail stop, creating a friendly "walkable" environment. The property stands to capitalize on one of the strongest economies in the nation, as Denver demonstrated labor force growth of 3.9% year over year and a December 2017 unemployment rate of 2.6%, 2nd in the nation for areas with populations greater than 500,000. Additionally, Observatory Park is set to take advantage of its premium construction finishes due to the high median household incomes and strong demand for modernized rental housing throughout the University submarket.

Scott McClave, Senior Principal of Bascom, comments “Observatory Park was a rare opportunity to acquire an off-market core-plus asset in an extremely tight market. The quality of the asset, proximity to employment, transportation, and educational facilities coupled with robust market fundamentals were extremely attractive to us.” James Singleton, Vice President of Bascom, also added “The University submarket was very compelling to us due to highly desirable demographics, high home prices, and affluent renter base. The property was very well designed and constructed by Mill Creek Residential – a prominent national builder with an excellent reputation.”

Since 2005, Bascom and its affiliates have acquired 30 multifamily properties in the Colorado market, totaling 11,057 units, becoming the most active buyer during that timeframe. In 2016, Bascom sold The Breakers Resort, the second most valuable multi-housing trade in the nation for the year and the largest apartment deal in Colorado history. Over the past twelve months Bascom has completed over \$1.8 Billion in multifamily transactions throughout the United States.

Paul Zakhary, Vice President of Bascom, comments “We plan to implement an amenity expansion program and improved operations that will make Observatory Park a top choice among multifamily product in the immediate area. Community improvements will include upgrades to the fitness center, pool and common area additions, as well as exterior upgrades and interior enhancements.”

About Bascom: The Bascom Group, LLC is a private equity firm specializing in value-added multifamily, commercial, and non-performing loans and real estate related investments and operating companies. Bascom sources value-added and distressed properties including many through foreclosure, bankruptcy, or short sales and repositions them by adding extensive capital improvements, improving revenue, and reducing expenses by realizing operational efficiencies through implementation of institutional-quality property management. Bascom, founded by principals Jerry Fink, David Kim, and Derek Chen, is one of the most active and seasoned buyers and operators of apartment communities in the U.S. Since 1996, Bascom has completed over \$15.5 billion in multifamily and commercial value-added transactions including more than 321 multifamily properties containing over 83,986 units. Bascom has ranked among the top 50 multifamily owners in the U.S. Bascom’s subsidiaries and joint ventures include the Southern California Industrial Fund, Rushmore Properties, Bascom Portfolio Advisors, Shubin Nadal

Associates, Spirit Bascom Ventures, REDA Bascom Ventures, MHF RM Holdings, Bascom Northwest Ventures, Bascom Arizona Ventures, Harbor Associates, Village Venture Partners, Bascom Milestone Ventures, and the Realm Group. Bascom's subsidiaries also include Premier Business Centers, the largest privately held executive suite company in the U.S. For additional information, please visit www.bascomgroup.com.

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