



Press Release

June 6, 2011

Joint Venture between affiliates of [Wheelock Street Capital](#) and Iconic Development acquires Terrace View Apartments student housing complex in Blacksburg, Virginia.

Greenwich, CT, June 6, 2011 – Wheelock Street Capital announced today that a joint venture between affiliates of Wheelock Street and Iconic Development recently acquired Terrace View Apartments, a student housing complex in Blacksburg, Virginia. Blacksburg is the home of Virginia Polytechnic Institute and State University ("[Virginia Tech](#)"), and Terrace View Apartments serves as a prime source of housing for Virginia Tech's undergraduate and graduate student populations.

On May 25th, the joint venture acquired Terrace View Apartments from affiliates of The Stonemark Group, an Atlanta, Georgia based multifamily management and investment firm. The terms of the transaction were not disclosed. Stonemark will continue to manage the property. Reznick Capital Markets was engaged by Iconic Development to raise joint venture equity for the acquisition and directed the deal to Wheelock Street. John Lustgarten, managing director at Reznick, commented, "We thought Wheelock would be a strong fit for this transaction due to its team's extensive investment experience across all product types and its reputation for responsiveness, thorough underwriting and certainty of closing." The transaction was capitalized in part with acquisition financing provided by Fannie Mae and originated by Northmarq Capital through its affiliation with AmeriSphere Multifamily Finance, L.L.C., a Fannie Mae approved DUS Lender.

Terrace View Apartments was built between 1966 and 1979 and consists of 81 buildings containing 757 units and 1,720 bedrooms. Amenities include a junior Olympic size swimming pool, clubhouse, fitness center, playground and dog run. Terrace View is located on Patrick Henry Drive, approximately a half mile north of the Virginia Tech campus. Virginia Tech is a land-grant research university serving 23,600 undergraduates and over 5,000 graduate students.

The acquisition represents Wheelock Street's first student housing acquisition and first joint venture partnership with Iconic Development. The joint venture will invest in significant upgrades of the common areas and targeted upgrades and repositionings of certain apartment units. Commenting on the acquisition, Merrick Kleeman, a Managing Partner of Wheelock Street Capital, said, "We are delighted to be entering the student housing business with the acquisition of Terrace View Apartments. Working with our partner, Iconic Development, we expect to strategically upgrade the asset to take advantage of demand for high quality, well maintained, well managed student housing serving the Virginia Tech market."

Holliday Fenoglio Fowler represented Stonemark in the sale of Terrace View Apartments.

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Wheelock Street Capital, L.L.C. is a real estate private equity firm founded in 2008 by Merrick R. Kleeman and Jonathan H. Paul. Wheelock Street pursues a highly focused, fundamentally-driven investment strategy. Backed by established institutional capital, the Company is currently pursuing acquisitions and recapitalizations of real estate assets and operating platforms in the hospitality, multifamily and residential land/homebuilding sectors. More information can be found at www.wheelockst.com.

William Bennett and Robert Parfet founded Iconic Development, LLC, an Evanston, IL based real estate development firm, in 2007. Iconic is a value investor specializing in the selection and redevelopment of demographically driven niche apartments in markets with growing gaps between demand and supply. Iconic's student portfolio contains over three thousand beds at Boise State, Texas State, Virginia Tech, and the University of North Texas.