

New Owner, Big Plans For University Fields NYC Firm Intends On \$5M Renovation

By JEREMY HUNT
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HARRISONBURG — A New York City investment firm hopes to turn one of Harrisonburg’s most sullied apartment complexes into the “crown jewel” of the local college student housing market.

Vesper Holdings acquired University Fields through foreclosure at an auction Thursday and shortly afterward announced plans to invest more than \$ 5 million in the property near the corner of Port Republic Road and Devon Lane.

Vesper Holdings investors believe its proximity to James Madison University relative to other complexes puts it in a competitive position for tenants, provided it gets muchneeded TLC. According to company officials, Vesper bought the University Fields mortgage note through Auction. com on Oct. 28 for \$ 19 million.

River Crossing Partners LP, the previous owner, owed about \$ 25 million on the note, including interest and penalties.

After it acquired the note, Vesper foreclosed on the property, culminating in Thursday’s auction outside Rockingham County Circuit Court.

The auction drew a handful of observers but no bidders, allowing Vesper to assume ownership.

The 288- unit complex includes 1,152 beds in 22 threestory buildings on **23.5** acres.

Only about one- third of the residential space is being used, said Isaac J. Sitt, principal at Vesper.

The low rate could be the result of both the property’s condition and the glut of student housing in Harrisonburg.

University Fields changed its name from Ashby Crossing a few years ago, but its former nickname, “Trashby,” hasn’t gone away.

Sitt said company officials were aware of the property’s reputation and condition when it came on their radar two years ago.

That is, in fact, part of what attracted Vesper to it. Vesper’s director of acquisitions identified University Fields as property with “tremendous potential” that wasn’t being properly maintained, Sitt said.

“We really think that based on the location and the bones of this property, it really should be the crown jewel of the JMU student housing market,” he said. “We plan to work toward that goal as

we've done [at our other properties].”

Vesper has more than 6,000 beds in its college student housing portfolio, most recently buying a 127- unit property in Athens, Ga., near the University of Georgia.

At University Fields, Vesper is planning a complete overhaul, including renovating all the units, clubhouse and amenities.

The real estate investment firm also will replace building exteriors and make technology upgrades.

Vesper plans to begin renovations next year, working in vacant apartments and then moving students into the renovated units so work can be done on the occupied ones, Sitt said.

Campus Apartments, a Philadelphia- based property management company, will continue to manage University Fields, Sitt said, and Vesper has no plans to raise rental rates after the renovation is complete.

“ The students should expect the best possible environment going forward,” Sitt said. “ We plan to invest a tremendous amount of time, money and effort in giving them a phenomenal experience when living at University Fields, and we are really, really excited to become a part of the James Madison community.”

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