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## Vesper Strikes Again with 294-Unit Buy

By Amy Wolff Sorter | Houston

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Vesper's newest acquisition:  
Forum at Sam Houston.

HUNTSVILLE, TX—**Vesper Holdings** has expanded its footprint in the region by acquiring the 294-unit, 450-bed Forum at Sam Houston, which serves **Sam Houston University**. The New York City investor acquired the two-year-old student housing property from Florida-based developer **Parkland Development Corp.** in an off-market transaction.

**Isaac Sitt**, co-founder and principal of Vesper Holdings, tells **GlobeSt.com** that the property at 3019 Sam Houston Ave. is already 62% preleased, which was one appeal of the student housing asset. Another was economies of

scale; close to a year ago, **Vesper Holdings acquired Aberdeen Place**, which it renamed Encore at Sam Houston.

Sitt says Forum at Sam Houston will be handled somewhat differently from its previous purchase, as it wasn't an REO sale as was the former Aberdeen Place. Though Vesper Holdings plans a \$250,000 capital investment to upgrade Forum at Sam Houston, "Parkland did a good job building and managing the property," Sitt comments. "We plan to continue that."

Sitt says Vesper Holdings has acquired seven student housing properties in Texas, with six of them through off-market deals. "The space has gotten super-hot," he explains. "A lot of things we predicted in 2010-2011 came to pass faster than we'd expected. Cap rates are compressed and assets have more liquidity than they used to." Furthermore, because of the demand, "private equity and public money is chasing student housing," Sitt comments. As such, finding quality student housing properties are becoming more difficult. "We find the best ways to deal off-market," Sitt observes. "We're in touch with brokers and developers."

This was, in fact, how Vesper Holdings got wind of Forum at Sam Houston. "We came upon it while doing general market surveys," Sitt explains. "In December, January, it was already 40% preleased. We liked the numbers, so we had our chief investment officer call Parkland to see if they'd consider selling."

Sitt kept mum about Forum at Sam Houston's sales price, only noting that Vesper Holdings acquired the asset at a discount. The **Walker County Appraisal District** assesses the property at \$15.1 million. "The story here is we aren't buying in the hottest market, but in a solid market, with this being the best property in that market," Sitt comments. "Plus there are economies of scale because we already own there."