



INSITES

ONE OF THE NATION'S LEADING REAL ESTATE FUND MANAGERS

Third Quarter
2011



The Campus at Sunrise, Reston, VA

BPG Fund IX Seeking New Investments

BPG Investment Partnership IX, L.P. (Fund IX) is actively seeking investments in office, multi-family, industrial, and retail properties throughout the United States.

“We believe that the current investment climate represents an attractive time to make real estate investments,” said Daniel M. DiLella, president and chief executive officer of BPG. “The economic downturn over the last few years has lowered the price for many properties while at the same time financing costs have decreased substantially.”

Fund IX is BPG’s latest comingled value added fund and over the next 2 years is anticipated to make investments in \$700 million of real estate assets. Over the last 20 years, BPG has raised nearly \$3 billion of discretionary equity through the formation of nine co-mingled, closed end funds and one co-investment fund. BPG’s investors include public and corporate pension plans, endowments, foundations, financial

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BPG SELLS THE CAMPUS AT SUNRISE IN RESTON, VA FOR \$63,000,000

BPG sold The Campus at Sunrise, a 254,280 square foot office park in Reston, Virginia, to Grosvenor Americas for \$63,000,000 in September 2011. The three building office park is located along Sunrise Valley Drive, minutes from the Hunter Mill Road and Wiehle Avenue exits of the Dulles Toll Road. The buyer was represented by Rick Siegel and Paul Hanafin from West, Lane & Schlager Realty Advisors.

The Campus at Sunrise consists of 11180 Sunrise Valley Drive, 11190 Sunrise Valley Drive and 11130 Sunrise Valley Drive. 11180 Sunrise Valley Drive is a four-story,

78,648 square foot office building, providing prominent Dulles Toll Road visibility.

BPG acquired the property in 2005 on behalf of BPG Investment Partnership VII, L.P. (“Fund VII”), a fully discretionary private equity fund with total equity commitments of \$550 million. The firm made substantial improvements to the office campus including lobby renovations, common area upgrades and the addition of a fitness center and deli. The renovations enabled BPG to increase occupancy from 14 percent at the time of acquisition to 84 percent at the time of sale. ■

InSIDE:

Hunter Defense Technologies Leases 172,759 sf at the Shenandoah Valley Industrial Facility in Buena Vista, Va — 2

State Farm Insurance Moves to Keystone at the Crossing in Indianapolis, In — 2

New hires and promotions — 3



The Shenandoah Valley Industrial Facility, Buena Vista, VA

HUNTER DEFENSE TECHNOLOGIES LEASES 172,759 SF AT THE SHENANDOAH VALLEY INDUSTRIAL FACILITY IN BUENA VISTA, VA

During the quarter, Hunter Defense Technologies, Inc. (HDT) executed an eight year, full building lease for The Shenandoah Valley Industrial Facility a 172,759 square foot warehouse facility located at 3200 Green Forest Drive in Buena Vista, less than five miles from Interstate 64 in the Shenandoah Valley region of Virginia. The landlord was represented in the lease negotiations by John Lesinski and Josh Gurland of The Leland Group.

“This transaction represents a consolidation of Hunter Defense Technologies’ existing Virginia locations and a relocation of one of their California operations,” commented Daniel M. DiLella, Jr, vice president of BPG who negotiated the lease along with Peter Derrico, asset manager of BPG, for the landlord. “The Shenandoah Valley Industrial Facility was one of the few sizeable, quality blocks of available space along the I-81 corridor. We are pleased to accommodate Hunter Defense Technologies’ growing Virginia operations.”

HDT (www.hdtglobal.com) is a world leader in the design and development of products and solutions that consist of shelters, environmental control, power generation, chem/bio protection and ancillary vehicle support products for the military and homeland security markets.

With the completion of this transaction, BPG’s I-81 industrial portfolio is now 100% leased. The firm owns and manages more than 900,000 SF of triple net leased industrial space along the I-81 Corridor in Virginia. Additionally, the firm owns two market-ready industrial development sites in Virginia which can accommodate a total of just over 1,000,000 SF. “The scarcity of existing blocks of available quality industrial space along the desirable I-81 Corridor should lead to demand for new product from large users looking to locate along the Corridor,” commented Daniel DiLella, Jr. ■

STATE FARM INSURANCE MOVES TO KEYSTONE AT THE CROSSING IN INDIANAPOLIS, IN



9200 Keystone Crossing, Indianapolis, IN

During the quarter, State Farm Insurance executed a lease to occupy 88,408 square feet of 9200 Keystone Crossing, an eight story, 146,801 square foot office building situated in BPG’s Keystone at The Crossing, a one million square foot campus consisting of five mid-and high-rise office buildings located at the intersection of Interstate 465 and Keystone Avenue in Indianapolis, Indiana. State Farm is relocating its operations from Parkwood Crossing in Indianapolis and consolidating other regional locations to this facility.

“BPG is extremely pleased to welcome an exceptional and established company like State Farm to Keystone at the Crossing,” said Brant Glomb, vice president of BPG who is responsible for asset management of the property. “Our recent redevelopment efforts, coupled with the complementary amenities of the adjoining Fashion Mall and neighbor hotels, make Keystone at the Crossing one of the most desired locations within the Indianapolis metropolitan area.”

State Farm (www.statefarm.com) insures more cars and homes than any other insurer in the U.S. It is ranked No. 37 on the Fortune 500 list of largest companies. State Farm was represented in the lease negotiations by Aasif Bade of Ambrose Property Group. The landlord was represented by John Robinson and Abby Cooper of Jones Lang LaSalle’s Indianapolis office, the exclusive leasing agents for the property.

Keystone at the Crossing is Indianapolis’ only fully integrated office, retail and residential development. It adjoins two full service hotels, Marriott and Sheraton, and the 600,000 square foot Fashion Mall,

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FUND IX (Continued from page 1)

institutions, and family trusts.

“BPG’s investment strategy for Fund IX will mirror the successful strategy we have used in our prior funds,” said Arthur P. Pasquarella, executive vice president and chief operating officer of BPG. “We are acquiring real estate investments to which we can add value for our investors through an intense direct operating platform. Targeted investments include acquisitions, recapitalizations, debt purchases, sale/ leasebacks and controlling mezzanine equity positions.”

STATE FARM (Continued from page 2)

offering 95 specialty stores. Since acquiring the complex in December 2005, BPG has completed \$12 million in improvements, adding amenity areas as well as upgrading lobbies, corridors and restrooms throughout the complex. ■

New Hires

BPG Management Company, L.P.

WESTBOROUGH, MA OFFICE

Carolyn Burt, *Tenant Coordinator*

BPG Properties, Ltd.

MIDWEST REGIONAL OFFICE

Tyler Veit, *Financial Analyst*

Promotions

BPG Properties, Ltd.

MIDWEST REGIONAL OFFICE

Matthew Latimer, *Vice President*

BPG would like to thank the following brokers and their firms for helping us lease 1,131,929 square feet in the 3rd Quarter 2011

Acorn Group (IN)	Tom Cortese
Aegis Property Group (PA)	Jim Kinzig
Ambrose Property Group (IN)	Aasif Bade
AMR Commercial (MD)	Jack Alexander
Bannister Properties (NC)	Kyle White
Barton Development Group (NC)	Mark Schweibinz
Borden Real Estate (NC)	Rob Haywood
Brand Retail Group (OH)	Kathleen Norris
Carolantic Realty, Inc. (NC)	Ed Brown
Case (MN)	B. Acuff
Cassidy Turley (MA)	John Leicht
Cassidy Turley (MN)	Mark Stevens
Cassidy Turley (OH)	Scott Abernethy
CB Richard Ellis (CA)	Mike Grado
CB Richard Ellis (GA)	Kevin Carroll
CB Richard Ellis (IN)	John Vandenbark
CB Richard Ellis (MA)	Andrew Majewski, Bob McGuire, Alison Powers, Matt Siliciano, Chris Tosti and Rob Walles
CB Richard Ellis (PA)	Steve Cousart and Steve Kriz
CB Richard Ellis (VA)	John DiCamillo and Jeff Roman
CNL (FL)	Scott Henley
Colliers (IN)	Erik Wagner
Colliers International (CA)	Jim Beeger, Dion Campisi, Susan Gregory and Kevin Moul
Colliers International (GA)	Lee Cardwell
Colliers International (IL)	Dave Florent and Steve Kling
Colliers Pinkard (NC)	Brian Carr
Cushman & Wakefield (MN)	Jason Butterfield and Gordie Hampson
Dillon Commercial Real Estate Services (NC)	Grover L. Dillon, III
Dilweg Commercial, Inc. (NC)	David Urben
Equis Corporation (NC)	Geoff Barrios
Grubb & Ellis (FL)	Paula Buffa, Dana Canto and Riley Didion
Fletcher Ladd Properties, LLC (NC)	Richard Ladd
Grubb & Ellis (GA)	Justen Cimino and Tom Miller
Grubb & Ellis (MA)	John Coakley
Jones Lang LaSalle (IN)	Jimmy Clark, Abbey Cooper and John Robinson

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Jones Lang LaSalle (MA)	Alexander Dauria, Ben Heller and Patrick Nugent
Jones Lang LaSalle (MN)	Graham Summers
Kane Realty Corporation (NC)	Stephen A. Brown
LeoScott, LLC (NC)	Scott Stankavage
Lincoln Property Company (MA)	Brian Smallman
Magellen Properties (GA)	Arthur Tillem
McShea & Company, Inc. (MD)	Bob Dickman and Bob Wrightson
Mohr Partners, Inc. (OH)	Kevin Humphries
Mohr Partners, Inc. (MN)	L. Crowe
NAI Brannen Goddard (GA)	David Beak, Chris Miller and Stephen Pond
NAI Caroaltantic Realty (NC)	John Hibbits
NAI Geis Realty Group, Inc. (PA)	Dave McFadden
NAI Merin Hunter Codman (FL)	Lesley Sheinberg and Jason Sundook
Newmark Knight Frank Smith Mack (PA)	Jeffrey Mack
Northmarq (MN)	Bob Revoir and Avery Ticer
Prestige Realty (NC)	Seyed Naziri
Stream Realty Partners (GA)	Jill Bomar, Ben Hautt and Hudson Smythe
Transwestern (MN)	Mike Salmen
UGL Equis (IN)	Brian Askins and Jeff Miller
Vesper Realty (MA)	Benjamin Sutton
William Leonard Company (GA)	Bill Leonard
York Properties (NC)	Brian Wallace

BPG PROPERTIES, LTD. is one of the nation's leading private equity real estate fund managers. BPG's portfolio consists of over 24 million square feet of office, retail, student housing, and industrial properties and nearly 19,000 apartment units in more than 70 communities located throughout the United States. Philadelphia | Yardley | Chicago | Washington, D.C. | Los Angeles | Raleigh | Atlanta | Boston

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