

## BH Properties Plans To Spend \$100M on Property in 2012

By Morris Newman

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LOS ANGELES-**BH Properties** says it plans to acquire \$100 million in the coming year, primarily in multifamily assets. In 2011, the privately held investment firm spent about \$40 million, mostly on apartment complexes in Phoenix and other Arizona cities.

Value added investment is the business model for BH Properties, according to Steve Jaffe, executive vice president and corporate counsel. The company has also targeted apartment complexes and other assets priced in the \$2 million-\$15 million range, in Colorado, Nevada, Washington and Southern California, according to Jaffe. The company is also in the market for notes secured by similar properties, he adds.

Despite the broad geographic range outlined by the company, much of the buying is likely to happen in the Phoenix area, according to Jaffe. "Historically, we've focused on depressed markets," says the BH Properties executive. "We found ourselves all over the country, and lately we've been able to meet our investment goals in the Western states," he adds. "Arizona became very interesting, because speculative building became overheated with the rapid run up in prices before the crash."

"Although Phoenix is obviously prone to boom and bust cycles, it still has a strong middle-class population and it's still a desirable place to raise a family," Jaffe says.

"Phoenix is a stable community with a strong middle class," he explains. "It would be a good place to raise a family."

BH Properties is focused on \$2-million to \$15-million opportunities located in Arizona, Nevada, Colorado, Washington, and Southern California. "We're serious, and we plan to be aggressive," Jaffe says.

The company is actively looking in other markets, including Las Vegas, although many prices remain prohibitively high in that market, according to Jaffe.

Separately, BH Properties has hired Andrew Van Tuyle as director of acquisitions. During the past 15 years, he has handled the closing of more than \$2 billion in real estate transactions in 20 states.