



## **OLIVE TREE PROPERTY HOLDINGS LLC ANNOUNCES THE SALE OF ANOTHER ATLANTA ASSET**

Olive Tree Property Holdings LLC (“Olive Tree”), a New York based owner/operator of workforce multifamily communities nationwide, has announced the sale of The Life at Peppertree Circle (“Peppertree”), a 167-unit workforce housing community located in the eastern Atlanta submarket of Decatur.

Olive Tree sold the property for \$13.1 million after having purchased it in the summer of 2017 for \$4.82 million. The sale generated a gross IRR of 67% and an equity multiple of 3.1x in just under three years of ownership.

Through Olive Tree’s proprietary sourcing model, Olive Tree identified this asset, which at the time, had in-place rents and occupancy levels that trailed its three to five-mile competitive set considerably. Peppertree was purchased at 79% occupancy, directly from the owner, at a valuation that was 30% of pre-renovation replacement cost.

“Fundamentally, we recognized that Peppertree was a very sound asset with deep intrinsic value. It is well-located near Interstate I-20 and I-285, providing easy access to downtown Atlanta, as well as several major employment centers in the area, including Georgia State University, Emory University, Children’s Hospital of Atlanta, and AT&T, among others” stated Olive Tree’s Managing Member, Ian Bel.

Upon acquisition, Olive Tree implemented their signature value-add strategy, which, in the case of Peppertree, included a full restoration of 32 fire-damaged units inherited at acquisition. Through their in-house property management platform, The Life Properties, these units were brought back online in addition to other high impact operational and physical enhancements throughout the property. In doing so, Olive Tree meaningfully and steadily grew bottom line performance during the first two years their ownership.



Mr. Bel continued, “Having stabilized operations, we took advantage of a favorable rate environment by refinancing the property during the summer of 2019, which resulted in a full equity cash-out plus profits for our investment partners. The sale of Peppertree is a fitting outcome and a blueprint case-study for our value-add investment thesis. The property was transferred to the new owner earlier in June at 98% occupancy. In doing so, we also created a much greater sense of pride and community among residents.”

### **About Olive Tree**

Formed in 2017, Olive Tree Property Holdings LLC (“Olive Tree”) is a private real estate investment firm focused on the acquisition, reposition, and management of workforce multifamily communities in dynamically growing U.S. markets. Olive Tree follows a disciplined, active ownership philosophy where value is created at the property level. With vertically integrated asset management, property management, construction, technology, and marketing services, the Olive Tree team devises 360-degree business plans to dramatically increase the value of its invested assets while creating a higher standard of living for its residents.

For more information visit: [olivetreeholdings.com](http://olivetreeholdings.com).