



# Harbert Management Corporation

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## Harbert United States Real Estate Fund V Closes on Fountainhead Corporate Park

### *HUSREF V Completes Acquisition of Office Portfolio in Phoenix, Arizona*

Birmingham, Alabama, Dec. 15, 2014 – Harbert United States Real Estate Fund V, L.P. (“HUSREF V”), in conjunction with Cypress Office Properties (“Cypress” or together with HUSREF V, the “JV”) recently held a simultaneous close on the acquisition of Fountainhead Corporate Park, a five building, 476,000 square foot, Class-A- office campus in Phoenix, Arizona, and the sale of three of those buildings to the largest tenant in the park, Allegis. Although initially underwritten as a five building portfolio acquisition, the JV pursued the simultaneous sale of the three buildings to Allegis, which represent 40% of the portfolio square footage, to capitalize on the opportunity to materially improve the base case return profile while also de-risking the execution of the transaction. The remaining two buildings in the portfolio that the JV purchased total 287,000 square feet and will undergo a targeted \$4.0 million renovation plan starting in Q1 2015. The planned renovation will modernize building common areas and create a more cohesive and better amenitized campus environment, which is intended to in turn drive leasing demand to the currently 72% occupied portfolio.

### **About Cypress Office Properties**

Cypress Office Properties is a San Diego-based real estate investment and advisory firm specializing in the acquisition, asset management, and repositioning of office, R&D, and flex properties. Cypress focuses on enhancing performance and value through proven management, leasing, and capital improvement strategies and is active in the San Diego, Orange County, and Phoenix markets.

### **About Harbert Management Corporation**

HUSREF V is sponsored by Harbert Management Corporation (“HMC”). HMC, together with its sponsored funds, has owned, developed and managed multi-family, office, industrial, retail and self-storage properties throughout the United States. HMC has a history of identifying real estate investment opportunities through its network of long-term, strategic relationships. HUSREF V’s approach is hands-on, targeting properties that the HUSREF V Investment Team believes are undervalued, and where value can be created through focused operational management. Additional information about HMC can be found at [www.harbert.net](http://www.harbert.net).

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