



CAPSTONE ADVISORS CAPITALIZES ON STRONG GROWTH OPPORTUNITIES WITH ACQUISITION

IN PHOENIX MARKET

CARLSBAD, Calif. – Oct.12, 2018 – Further diversifying its portfolio, Capstone Advisors announces the completed acquisition of a two-building flex industrial property in Phoenix, Arizona.

Acting on strong growth fundamentals and promising market dynamics, Capstone Advisors, a diversified real estate investment, development and advisory firm based in Carlsbad, Calif., acquired First Rose Garden, a two-building flex industrial property in the Deer Valley submarket of Phoenix. The 73,317 square-foot property is located at 21002 North 19th Ave. and 1950 West Rose Garden Lane and was purchased for \$6.6 million.

With a business-friendly environment, affordable housing, large, educated labor force, and job and income growth levels projected to double the U.S. average over the next 20 years, Capstone Advisors continues to expand its portfolio in the Phoenix metropolitan area. First Rose Garden is Capstone Advisors' third recent commercial acquisition in the region.

"This property is a great complement to our existing portfolio in Phoenix and it represents a continuation of our growth strategy in strong markets," said Alex Zikakis, president and CEO of Capstone Advisors. "The rental rates for commercial properties still lag what they were before the Great Recession, which makes us optimistic there is still a reasonable amount of rent growth to come in the market. This potential for growth makes this a great opportunity to demonstrate our strengths in owning and managing value-add commercial properties."

The property is currently 87 percent leased with notable tenants including Fastenal, Sonoran Doors and Cool Events. Capstone Advisors intends to perform property improvements, including exterior painting, lighting and landscaping enhancements, and building system upgrades. These improvements, in addition to proactive and responsive leasing efforts, and best-in-class property management, will enhance the position of First Rose Garden in the Deer Valley submarket.

The seller was represented by Steve Lindley of Cushman and Wakefield. Capstone Advisors represented itself. Financing was provided by La Jolla, Calif.-based Silvergate Bank.

About Capstone Advisors

Capstone Advisors is a diversified real estate investment and development company with a 22-year proven track record of having acquired millions of square feet of commercial properties throughout the U.S. across multiple real estate cycles and product types. Since 1996, Capstone Advisors has served as operating partner, advisor, capital provider, joint venture partner and developer for some of the most well-regarded financial institutions in the world. The company has invested and developed a variety of commercial property types as well as been an active investor in residential land development, home building and resort development. Capstone Advisors is headquartered in Carlsbad, California. Visit CapstoneAdvisors.com for more information.