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For Immediate Release:

Davlyn Investment's Year End Flurry

San Diego, CA – Davlyn Investments, a prominent California multi-family and commercial property investment firm, recently closed escrow on the \$8,300,000 purchase of an 82-unit, multi-family community in Moreno Valley, California. Constructed in 1986 and previously known as Barcelona Village, the community will be rebranded, Sedona. The NAI Capital real estate brokerage team of Tom Papoulias & DeLonne Valens represented buyer and seller. Lending was provided by City National Bank.

Davlyn's Director of Acquisitions, Aaron Pacillio described the appeal of the investment. "Sedona provided several key elements that we like to see in an acquisition. We purchased it on an off-market basis from the original developer on favorable economics and at a price well below replacement cost. It was obvious that the prior owner took great pride in maintaining the property and managed it for cash flow resiliency. However, we plan to upgrade the interiors, enhance staffing and marketing, and generally provide a level of service similar to the Class-A, luxury assets we own in the immediate area. We believe the market will embrace the finished product, which will ultimately result in the kind of sustainable, long-term cash flow that we prize in our investments."

According to Jon Williams, CEO of Davlyn Investments, "We own over 1,000 units within a few miles of Sedona. Consequently, we are very familiar with this submarket. This allowed us to see the asset for what it is; namely a relatively inexpensive, late 80's project, in an improving area, with an excellent unit mix and great bones. This should enable us to accomplish our continued mission, which is to provide superior risk-adjusted returns for our investors."

The acquisition of Sedona culminates a flurry of year-end activity for Davlyn. After a lengthy sales and marketing effort, the firm recently closed on the recapitalization of a 102-unit apartment community located in the San Fernando Valley of Los Angeles. Formerly known as Sorrento, the project has been rebranded as Twenty-2-Eleven. With a new equity partner and business plan in place, extensive upgrades will be made to both the exterior and to the unit interiors. In addition, after completion of a thorough "sell versus hold" analysis and our experience attempting to sell Sorrento, the company closed on a recapitalization of a 180-unit community in Simi Valley, CA called Sage Creek. Once again, Davlyn will be in position to renovate and reposition a property that it has owned for some time, and thereby enhance the long-term cash flow characteristics of the project.

Finally, Davlyn recently sold a 141-unit community in Los Angeles County known as Corsica. The sale price was \$25,800,000 and the buyer was as subsidiary of Benedict Canyon Equities. Both buyer and seller were represented by Martin Ensburry of KW Commercial and Stewart Weston of IPA / Marcus & Millichap.

Davlyn Investments, Inc. is a San Diego-based owner/operator of apartment communities and commercial office buildings throughout California. Since its' founding, the firm has acquired in excess of \$900,000,000 in real estate assets. The company is headed by Jon Williams and Paul Kerr.

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