

# Belay Investment JV Bets \$70M on Portland

Belay Investment Group and L&L Investment Partners plan to purchase and reposition Portland office, multifamily and mixed-use properties. As its first investment, the JV acquired an asset comprising two 1940s-era warehouses in the city's Guild's Lake submarket.

- by Scott Baltic | Jun 26, 2017



Anna Langley, L&L Investment Partners

Belay Investment Group LLC, of Sherman Oaks, Calif., and L&L Investment Partners, an affiliate of Langley Investment Properties, Portland, Ore., have both launched a programmatic joint venture to reposition CRE assets in metro Portland and acquired their first property.

The joint venture, Belay Fund II L&L PJV, is intended to purchase and reposition up to \$70 million of office, multifamily and mixed-use properties in the Portland area, targeting “*value-add and opportunistic acquisitions in emerging live-work-play submarkets...*,” according to a prepared statement.

Belay’s investment in the JV comes from Belay Partnership Ventures II LP, which is anchored by a \$200 million commitment from California State Teachers’ Retirement System and is targeting \$500 million of equity.

## The First Moves



One of the warehouses

As its first investment, the JV acquired a property comprising two 1940's-era warehouses in the Guild's Lake submarket, in northwestern Portland. The location at NW Wilson Street and NW 27th Avenue is less than half a mile west of Interstate 30 and about two miles from downtown Portland, Suzanne West, Managing Principal at Belay, told *Commercial Property Executive*.

*"The location is within the path of growth within the submarket as older industrial buildings are converted into creative office venues, retail shops and restaurants,"* she added.

The price was not disclosed, but West did tell *CPE* that the acquisition took place in May through an off-market transaction and that the total equity investment will be \$15 million to \$20 million, depending on the project's final scope.

The plan is to convert and expand the buildings into 60,000 square feet of creative office space, while maintaining some historical features so as to preserve the properties' vintage character, Anna Langley, a partner with Scott Langley in L&L, told *CPE*.

West highlighted the synergy the JV has by virtue of L&L's/Langley's position as a *"deeply entrenched local owner/operator"* with about 40 years of experience, coupled with Belay's ties to institutional investors, such as CalSTRS.

## **Last year's deals**

In 2016, Langley sold its operating/property management platform to Urban Renaissance Group and refocused on its investment and development activities with several multi-family and mixed-use office projects under way in Portland. The operating platform at the time of sale comprised 1.4 million square feet of Class A office properties in Portland, along with leasing and property and construction management.

Also last year, Belay teamed up with Arc Capital Partners LLC, of Los Angeles, to launch Arc/West Partners, a JV whose goal is to acquire and reposition up to \$150 million of [multifamily and retail properties](#) in California and Texas.