

Vesper Holdings JV Buys Nashville-Area Student Housing

The community will undergo \$3.5 million worth of renovations.



1540 Place. *Image courtesy of Vesper Holdings*

Vesper Holdings has partnered with Fortress Investment Group to acquire 1540 Place, an 864-bed student housing community in Murfreesboro, Tenn. The asset, serving students at the Middle Tennessee State University, will be managed by Campus Life & Style, a Vesper subsidiary.

The property last changed hands in 2013, when Hayman Co. acquired it from EdR for \$20.7 million, according to Yardi Matrix data. At the time, U.S. Bank provided a \$16 million CMBS acquisition loan originated by Wells Fargo.

The new owner plans to invest \$3.5 million in capital improvements for the 1998-built property. The renovation program will target interiors and community amenities, with a focus on technological upgrades.

Located at 1540 New Lascassas Highway, the property is 1 mile from the Middle Tennessee State University campus and some 36 miles southeast of downtown Nashville. A Secure Storage facility is within walking distance of the property, while many shopping and dining options are located less than 2 miles away.

The 240-unit community encompasses 11 three-story buildings across 21 acres. Floorplans consist of two- and four-bedroom apartments ranging from 770 to 1,489

square feet. Amenities include high-speed internet access and washers and dryers. Residents have access to a swimming pool, a spa, two tennis courts, a gym and a dog park. The property offers roughly 480 parking spaces.

This is not the first time Vesper Holdings joined forces with Fortress Investment Group. In June, the companies partnered to acquire The Domain, a [654-bed student housing](#) community in Columbia, Mo., serving students at the University of Missouri.

THE TENNESSEE STATE UNIVERSITY MARKET

At the start of the 2020 fall semester, Middle Tennessee State University had some 22,000 students enrolled, 87 percent of which were in-state students, data from the National Center for Education Statistics shows. The cost of living in off-campus accommodation went up 3.5 percent in the 2020-2021 university year compared to the previous academic year, the same data provider shows.

Vesper Holdings' 1540 Place was not the first student housing community to change hands this year in Murfreesboro. In April, Capstone Real Estate Investment acquired The Pointe at Raiders Campus from Peak Capital Partners. The 756-bed community sold for \$23 million, or \$30,436 per bedroom. The price per bedroom was less than half the average across major university markets, a recent [Yardi Matrix webinar](#) indicates.