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Piedmont Investment Advisors and TerraCap Opens Second Real Estate Opportunity Fund

 PRWeb – Thu, Aug 9, 2012

Piedmont Investment Advisors, LLC (Piedmont RIA) through its affiliate Militello Capital made an investment of more than \$8,000,000 in Terra Cap Partners II, LP a distressed opportunity commercial real estate fund.

Leesburg, VA (PRWEB) August 09, 2012

Piedmont Investment Advisors, LLC (<http://www.piedmontRIA.com>) through its affiliate Militello Capital made an investment of more than \$8,000,000 in TerraCap Partners II, LP a distressed opportunity commercial real estate fund.

According to Terra Cap, the fund began raising capital for this fund during the summer of 2011 and has a target equity raise of \$200 million. Acquisitions will include opportunistic commercial real estate investments where population growth is strong, future supply is constrained, and current acquisition prices are substantially below replacement cost. These characteristics are evident in some markets in the southeastern United States and are particularly strong in Florida. This fund focuses on off market acquisitions where property operations are in some level of distress and sellers want to move quickly, discretely, and with certainty.

William Militello, Founder/Managing Principal at Piedmont Investment Advisors said, “At Piedmont Investments, we believe that the price correction in commercial real estate has created tremendous value. And we want our clients to gain exposure to this asset class along with the experience, track record and professional management that Terra Cap brings to the table.”

TerraCap Partners II, LP

W. Stephen Hagenbuckle, founder and co-managing partner of TerraCap Management Corp., said: “We are pleased to be on schedule with our capital raise in this challenging economic environment. As a deep value commercial real estate private equity fund, TerraCap II will deploy capital to take advantage of the continued correction in real property values. Given the continued pressure on sellers and the lagging nature of economic recovery, we will remain disciplined and cautious in deploying this capital.” Robert Gray, co-managing partner adds, “buying in markets where long term demand growth is strong but future supply is constrained and prices today are well below replacement costs positions this fund to capture opportunistic upside while providing some mitigation of downside risk.”

TerraCap I and earlier investments acquired primarily residential land and mixed-use properties representing the first large wave of selling by lenders and pressured borrowers. The next much larger wave of sales of commercial real estate loans and properties is now underway as a result of the inability of borrowers to refinance at maturity and at the expiration of current forbearance agreements. Mr. Hagenbuckle notes: “Distress in commercial real estate properties historically follows distress in residential markets, and TerraCap II is well positioned to capitalize on opportunities given our recent funding which includes substantial institutional investments by college endowments, ultra high net worth organizations/individuals and by Washington based real estate investors and investment advisors Militello Capital.”

“Access to sellers is the key.” Mr. Hagenbuckle continued. “We have proven to be a trustworthy and financially-sound buyer with many banks and property owners, and we have a proven record of closing on the properties, including debt secured by real property, we have contracted to acquire.”

Visit <http://www.terracapmgmt.com/> to learn more

Piedmont Investment Advisors, LLC

[Piedmont Investment Advisors](#), LLC, located in Lansdowne (Leesburg) Virginia, is a registered investment adviser under the Investment Advisers Act of 1940. When Bill Militello, a graduate of the U.S. Naval Academy, founded Piedmont Investment Advisors in 2003, he set out to create not just another financial advisor or boutique investment firm, but rather to create a new “category” in financial services.

His view is that the delivery of investment advice by financial advisors was ripe for innovation, and it has been Militello’s vision to challenge the conventional model. He believes that asset allocation should not be constrained to just the public financial markets, and that the relationship between the client and the financial advisor should be free of conflicts. To execute this philosophy, Piedmont Investment Advisors has developed a revolutionary investment model that is composed of three interdependent concepts: Liquidity, Wealth Creation, and Wealth Preservation.

Visit <http://www.piedmontRIA.com/> to learn more

The information contained herein should not be construed as personalized investment advice. Investing in a private equity fund involves some degree of risk and may not be suitable for all investors. Information presented herein is subject to change without notice and should not be considered as a solicitation to buy or sell any security. The companies highlighted above are not necessarily the highest performing investments in the fund, but are noted as purchases made to date. The reader should not assume that investments in the companies identified were or will be profitable.

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