



FOR IMMEDIATE RELEASE

**ElmTree Funds Announces Fund II Oversubscribed
with More Than \$325 Million Raised**

ST. LOUIS, Mo., (May 29, 2014)- ElmTree Funds, which was launched in St. Louis in 2011, has announced the successful final closing of its latest private equity fund. The 6th net lease fund for ElmTree's managing partners, ElmTree Net Lease Fund II closed on total commitments of \$325 million, exceeding its \$300 million target. Commitments for the latest fund were primarily new institutional investors. Jim Koman, managing director and founder of ElmTree, declined to name investors but said the largest allocations came from large retirement systems and hedge funds.

ElmTree opportunistically invests in single tenant, investment-grade net lease real estate assets, sale leasebacks, and build-to suits with tenant lease terms of generally 10 – 15 years. ElmTree Net Lease Fund II will look to acquire a billion dollars of net lease assets when fully invested. ElmTree has already completed the acquisition of over \$400 million in properties on behalf of Fund II, with sights on closing another \$600 million over the next 12 months. Sticking with its strategy of pursuing new properties through build-to-suit developments, approximately two-thirds of the Fund's current properties are build-to-suit. The Fund has continued to pursue tenants of the highest quality, and has names such as Cardinal Health, United Technologies, GE, Caterpillar, and Tyco amongst others in its current portfolio.

"We have a unique, team-based approach to third-party development and project management for build-to suits that allows us to provide clients with customized, efficient, build-to-suit solutions designed to exceed all expectations," said Koman. "In today's real estate environment, real opportunities lie in the office, industrial and specialty project development arena, and our fund has been successful due to our investments in these types of properties."

"Our strategy for ElmTree Net Lease Fund II has been focused on identifying net lease properties in markets nationwide with low competition and the ability to generate a steady, predictable income stream over the life of an investment," noted Joseph Yiu, managing director and chief investment officer for ElmTree. "The Fund will continue to seek opportunities in build-to-suits that are undervalued and/or demonstrate prospects for capital appreciation."

ElmTree, which did not work with a placement agent this time around, closed on the fund the week of May 12th.

ElmTree Fund II Raises \$325M

First and Final Add

About ElmTree Funds, LLC

ElmTree Net Lease Fund II, LLC is a real estate private equity fund sponsored by ElmTree Funds, LLC. ElmTree Funds, LLC is a private equity investment firm based in St. Louis, with offices and affiliates across the country, that seeks opportunities in the commercial sale leaseback and net lease real estate markets.

www.elmtreefunds.com.

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