



## JCR Capital Eyes \$100Mln Capital Raise for Fund

JCR Capital, which is well on its way to investing its [inaugural debt and equity fund](#), has started raising capital for a follow-up vehicle, JCR Capital Commercial Real Estate Finance Fund II LP.

JCR, a Denver finance company led by Jay Rollins and Maren Steinberg, veterans of the opportunistic investment world, hopes to raise \$100 million in capital. The company's shareholders are committing more than \$11 million.

Rollins and Steinberg have since 1992 completed 260 transactions totaling some \$1.8 billion. Before forming JCR in 2006, the two were with GMAC Commercial Mortgage where they founded its structured-products group and originated high-yielding loans, such as mezzanine and bridge loans. In 2008, JCR, which was formed with Guy Johnson, was [recapitalized through an investment by JAM Equity Partners](#), a New York hedge fund.

The company's first fund, JCR Capital Distressed & Opportunistic Real Estate Fund I LP, had raised \$30 million that was used to provide capital to investors in distressed loans or owners of properties in distress that need to be recapitalized. That fund is nearly 70 percent invested, prompting JCR to launch capital-raising for a follow-up fund.

It has so far taken one of its investments full cycle, generating a gross internal rate of return of 83 percent.

JCR has tapped Perth Advisors of New York as placement agent.

Fund II has a similar focus to JCR's initial fund. It finances distressed, opportunistic and value-add investments. Its aim is not to buy properties. It targets the middle market, which it sees as being underserved. While large, trophy properties have plenty of capital chasing them, smaller properties are often finding a dearth of capital.

"This reduction in the supply of capital is coming at a time of significant demand for commercial real estate financing solutions," Rollins explained.

The fund will originate a variety of debt instruments, including participating debt, as well as

preferred equity and will take equity positions in properties throughout the United States. Its loans generally have maturities of up to three years.

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