

Pastures new

Jeffrey Kaplan has left Westbrook Partners after 13 years with the New York-based firm to set up a new venture, Meadow Partners.

When the economic-going gets tough, most people cling to their jobs. For private equity real estate, the reality can often be very different as professionals eagerly eye the next big buying opportunity.

2009 is proving to be no different for the industry, as noted names spin-out from their current shops in the hope of getting a larger – more personal – slice of the action. Westbrook Partners' Jeffrey Kaplan is one of them.

Kaplan left the New York-based firm at the start of February to set up his own real estate investment firm, Meadow Partners, with former Westbrook executives Andrew McDaniel and Timothy Yantz.

Speaking to *PERE*, Kaplan said the decision to leave wasn't taken lightly, but came down to a "classic case of the number two guy who just wanted to do his own thing".

After 13 years at Westbrook, and more than 22 years working with the firm's founder Paul Kazilionis, Kaplan said it was time to branch out. "Ever since the savings and loan crisis when I first started investing in real estate, I always said to myself that if I was lucky enough to see this type of buying opportunity again I would be doing it for myself, that I would have a bigger piece of the action.

"It's early, but I really think that we are on the verge of a real estate opportunity the likes of which we have not seen since the early 1990s. For the first time in a while I feel that the investment opportunity is truly exciting."

At Meadow, which will have offices in New York and London, Kaplan will focus on acting as an operating partner to private equity real estate firms, and eventually, to institutional investors through programmatic joint ventures. "The key is to find distressed deals and serve as an operating partner. This is not the time to go raise a discretionary fund," Kaplan added.

The firm will primarily target the UK and US where distress is most apparent. Meadow is in the process of hiring another two members of staff. McDaniel will remain in London, while Yantz

will work from Meadow's New York office.

Kaplan's departure from Westbrook is perhaps not surprising for some, after the managing principal stepped down as co-chairman of the firm's investment committee for its latest fund, the \$2.5 billion Westbrook Real Estate Fund 8, more than a year ago.

He does however remain a close friend of the firm, according to people familiar with the matter, after first working with Kazilionis at Morgan Stanley. Kaplan stressed: "Given our long history of working together, it was very important for both of us that the split was amicable."

Kaplan joined Westbrook when it was founded in 1994 and stayed until this year, except for a two-year period between 1999 and 2001, when he left to form his own venture. From 2001 to 2003, Kaplan ran Westbrook's European operations from London before returning to New York. Prior to Westbrook, Kaplan was director of acquisitions at Morgan Stanley Real Estate Funds.

Kaplan said he would remain involved in a "number of specific asset management issues" at Westbrook. His departure does not trigger any key man clauses.



Kaplan: classic number two guy