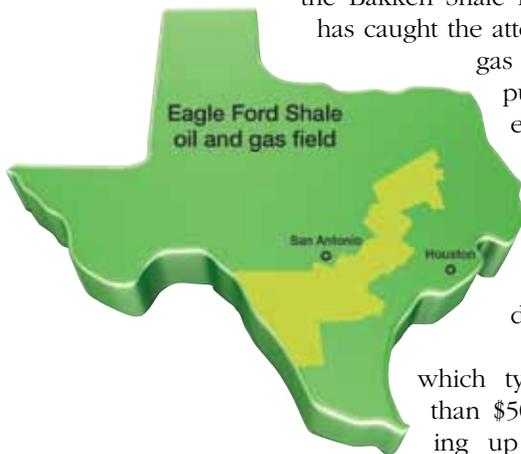


Summit Capital places a stake in oil-rich Eagle Ford Shale

Deep in the south of Texas there is a gold rush in the form of the Eagle Ford Shale, which some are calling one of the largest oil and natural gas fields in the world. Like the Bakken Shale in North Dakota, it has caught the attention of both oil and gas companies, which are



pumping billions into extraction operations, and real estate interests, which are looking to build all manner of asset classes to accommodate the human surge.

Budget hotel rooms, which typically rent for less than \$50 per night, are costing up to \$150 per night, and incoming hotel operators are supposedly being promised two years of advanced room bookings.

Summit Capital, a Texas-based investment firm, has decided it wants in on the action and is investing in a variety of opportunities, ranging from purchasing existing income-producing real

estate, as well as placing two large parcels — 68 acres and 22 acres — under contract. The firm has also placed an offer on a 510-acre parcel.

To augment its efforts, the Summit Capital has joined forces with Westport Capital Partners, which has also been investing in the Bakken Shale for more than two years.

Summit Capital executive Kevin McTavish, who also serves on the Institutional Real Estate, Inc. board of directors, points to studies that have concluded Eagle Ford Shale is a 20-year opportunity for oil and gas companies and, of course, real estate investors.

“We have devised a plan for each of the parcels and have been working with the city of Pleasanton, Texas, to make sure we’re sensitive to developing the land in a way that will be readily accepted by the local community,” McTavish says. He declined to say what the firm has invested thus far and what its development plans might entail.

With an estimated economic impact of \$25 billion a year and nearly 50,000 new jobs attributed to Eagle Ford Shale, a success there could be a lucrative new wellspring for Summit Capital and Westport Capital Partners.

— Mike Consol

Recent fund-raising activity — Americas

Firm Fund name	Product style Structure	Property type	Market focus	Lifecycle	Size (M)
Brookfield Asset Management Brookfield Brazil Timber Fund II	Closed-end	Timber	Brazil	Equity raise	\$120
Covenant Capital Group Covenant Apartment FUnd VII	Value-add Closed-end	Multifamily	Southeast, mid-Atlantic	Final close	\$236
Madison International Realy Madison International Real Estate Liquidity Fund V	Opportunistic Closed-end	U.S. real estate	Global	Equity raise	\$137.50
Meridian Group Meridian Realty Partners I	Value-add Closed-end	Suburban office, CBD office, Mixed-use	Washington D.C. Metro Area	Final close	\$160
Colony Capital Colony American Homes	Closed-end	Single-family homes	Atlanta, Phoenix, Chicago, California	Final close	\$2,000
Pearlmark Real Estate Partners Pearlmark Mezzanina Realty Partners IV	Value-add Closed-end	Across property types	United States	Launch	\$600
Macquarie Group Macquarie Infrastructure Partners III	Closed-end	Infrastructure	Global	Launch	\$2,000

Source: Institutional Real Estate, Inc.