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## WASHINGTON BUSINESS JOURNAL

### EXCLUSIVE REPORTS

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#### Real Estate

## Developer digs into new partnership

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[RCP Development](#), a two-year-old Washington real estate development company, is getting major backing from Wall Street.

The company, headed by former [Post Properties](#) executive Steve Etminani, is forming RCP Capital, a joint venture with [Citigroup Property Investors \(CPI\)](#), which will give the developer the funds to build about \$400 million in projects during the next several years.

The company, which is constructing a \$76 million condominium project along Massachusetts Avenue near the [Washington Convention Center](#), will continue to focus on area housing projects, Etminani says.

"Regardless of what you've heard about a bubble, it's definitely a long-term viable business," Etminani says.

Less than a year ago, RCP began interviewing about a dozen institutional investors, and about half of them were interested in partnering with the company, Etminani says.

But RCP chose Citigroup because of Etminani's long-standing relationship with CPI head Larry Elman. Etminani, while at Post Properties, worked with Elman in building a 260-unit project at 15th Street and Massachusetts Avenue.

"Your relationships, and trust, are the most important thing in this business," Etminani says.

Jason Grossman, CPI's vice president for [North American](#) investments, says the deal with RCP "is very unusual" because the company normally has a project in play before committing any capital. He says CPI can now get in on deals at a much earlier stage.

CPI will invest about \$100 million in equity in the next several years; that would allow RCP to finance five to seven projects of \$50 million to \$60 million apiece.

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