

## **U.S. Advisors: Napa-based company is quietly investing nationwide**

By MIKE TRELEVEN, Register Business Editor

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A multi-billion dollar real estate investment company is quietly doing business in Napa.

That firm, U.S. Advisors LLC, recently moved into its newest digs in what was once a Napa eyesore at Soscol Avenue and Trancas Street. The new two-story multi-colored building -- once the site of the Tom Foolery bar -- today houses businesses.

U.S. Advisors LLC occupies the second floor of the north Napa landmark.

U.S. Advisors was founded in 1999 by Kevin Fitzgerald, chairman and president of the company.

Fitzgerald has more than 30 years experience in real estate.

Fitzgerald said he moved his company from San Francisco to Napa because this is where he wants to live and raise a family. And his commute is only minutes long.

U.S. Advisors helps groups of investors, flush with cash from previous long-term real estate investments, to reinvest in newer similar properties such as apartment complexes, offices, industrial, self storage facilities and retail properties.

The key to success, Fitzgerald said, is to pinpoint those cities with booming economies. U.S. Advisors has no investments in Northern California.

The company's goal is to see that clients involved in the real estate swaps are able to defer taxes on the capital gains.

U.S. Advisors finds properties that it deems are good investments, and then puts together a group of investors to buy the property. This Napa-based firm then manages the properties for the investors.

In the real estate world, U.S. Advisors is considered one of the top 1031 TIC, which stands for tenancy in common -- a hot trend in recent years.

In 2005 U.S. Advisors acquired \$1 billion in new property across the U.S.

Fitzgerald said CB Ellis Investors partners with his company to find properties for his investors.

Fitzgerald describes CB Richard Ellis as his "eyes and ears" for where to invest.

Right now, U.S. Advisors is buying about \$100 million worth of properties a month, according to Fitzgerald. His goal is to reach \$1.5 billion annually by the end of the year.

What is driving growth at U.S. Advisors? "Baby boomers, it's a huge population," Fitzgerald said.

Fitzgerald said cities in Southern California, Arizona, Texas, Georgia and the Carolinas are hot for investment right now.

"We look where the forecast is for job growth," said Fitzgerald. "Texas is the hottest right now. After Hurricane Katrina, so many jobs came to Houston. There has been a significant shift in jobs to Houston," Fitzgerald said. "High tech companies are also going there. It's a vibrant economy right now."

As for smaller markets U.S. Advisors likes Memphis, Tenn., and Little Rock, Ark.

"These two are good because there is less competition," Fitzgerald added.

U.S. Advisors' portfolio currently includes 58 multi-family properties, totaling 16,400 units and 18 commercial properties totaling more than 2.7 million square feet.

Florida is falling out of favor at U.S. Advisors. "We're getting out of there because of the conversion of apartments to condominiums.

Because of the rapid growth, Fitzgerald is keeping his previous office space at Five Financial Plaza in north Napa. U.S. Advisors has 63 employees, of which, 40 are based in Napa.

Why occupy the second floor of the Tom Foolery? "This building has a unique look," Fitzgerald said. "It's not a 'beige box' on Soscol. It's different and is a high quality building."

And Fitzgerald said the building reflects his business philosophy to "try and be innovative and of high quality; and this building fits our image pretty well."

In his spare time, Fitzgerald enjoys spending time with his wife, Beth, and children, Kilian, 9, and Rory, 6 -- and playing golf.