



For Immediate Release

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Amid Escalating Housing Crisis, Turner Impact Capital Closes Fund to Invest Additional \$1.25 Billion in Workforce Housing Communities Nationwide

Successful fundraising for Turner Multifamily Impact Fund II enables acquisition of 10,000 additional affordable units for individuals and families, accelerating firm's social impact mission

LOS ANGELES (December 8, 2020) – As the pandemic, economic slowdown, and high rents converge to deepen our historic housing crisis, Turner Impact Capital – one of the nation's largest real estate investment firms dedicated to social impact – has closed a second affordable workforce housing fund that will unlock \$1.25 billion in new housing investment.

Turner Multifamily Impact Fund II ("TMIF II") will enable the firm to acquire and manage up to 10,000 additional housing units and keep them at rent levels that are affordable to residents earning less than the area median income. Turner's social impact mission goes far beyond simply preserving this housing stock. The firm also offers residents a wide range of free enrichment services tailored to each community, such as afterschool homework help, employment assistance, community health services and neighborhood watch programs.

TMIF II builds on the impact of the firm's first housing fund, Turner Multifamily Impact Fund I, which invested nearly \$700 million to acquire 7,840 workforce housing units occupied by more than 14,000 residents.

The closing of the second, larger fund demonstrates the success of the firm's innovative housing strategy and its effectiveness serving U.S. families burdened by a housing affordability gap that is worsening by the day. As the coronavirus continues destroying jobs, an estimated 30-40 million people risk losing housing in the months ahead as tenant protections expire. Even those remaining in their homes will face a crushing burden of outstanding rent, estimated at \$7.2 billion.

"While at the end of the day we know this health crisis will pass, the pandemic and resulting financial crisis have highlighted just how fragile our most vulnerable populations are to unforeseen emergencies and underscored the critical and growing demand for affordable workforce housing in the U.S.," CEO Bobby Turner said. "While many investors have struggled to raise capital for social impact funds, we have seen remarkable interest due to our singular focus on impact strategies, the demonstrated success of our previous housing funds, and our 25-year track record generating superior risk-adjusted returns across complementary investment platforms that also include education and community-serving healthcare facilities."

The closing of TMIF II with over \$350 million of committed capital paves the way for \$1.25 billion in investment potential to serve residents who may earn too much to qualify for subsidized housing, but not enough to afford home ownership or luxury rental units. These include community-serving professionals such as teachers, police officers and healthcare professionals.

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TMIF II has already acquired seven multifamily communities with an eighth under contract, together totaling nearly 3,100 units. The firm also owns and manages communities in the Atlanta, Austin, Dallas, Houston, Las Vegas, San Antonio, Seattle, and Washington, D.C. areas.

Conventional real estate investors often acquire workforce housing communities, complete expensive luxury upgrades, and raise rent levels beyond the reach of many current residents. By contrast, the Turner Impact model takes an innovative approach that targets lower expenses rather than outsized rent growth.

The firm's in-house property management team improves day-to-day operations and implements a wide array of needs-based services designed to enrich the lives of residents, from children to seniors. These services demonstrably reduce costly vacancy and turnover, increase resident satisfaction, generate positive targeted social outcomes, and allow communities to remain affordable. Turner has delivered more than 90,000 program participant hours since 2015, often working with local partners who have a keen appreciation of local residents' needs.

"It's hard to overstate the importance of providing quality housing that local residents can afford," said NBA star Chris Paul, an investor in Turner Impact's housing funds and a longtime community advocate. "Bobby and I both believe in backing up talk with action. We're spending our time and resources to scale up a proven housing solution that doesn't just keep homes affordable, but supports families by providing housing stability and services that truly make a positive difference in their lives."

True to its social impact mission to enrich lives, Turner Impact's model includes programs with acclaimed community service providers. These organizations, such as Access Community Health Network, Houston's Adult Education Center, Metrocrest Services, and local area food banks, coordinate with the company's onsite professionals and diverse subject matter experts to design and deliver services tailored to each community.

"The quality of a family's home environment influences many other critical determinants of success, including health, education, and job readiness," said Gee Kim, Turner Impact's President of Multifamily Housing Initiatives. "We're proud that our apartment communities are meeting the needs of so many people, especially during this public health crisis, and we are looking to significantly expand our portfolio in high-demand areas throughout the country."

The closing of TMIF II caps an active and successful year of social impact investing for Turner Impact Capital, which has raised approx. \$1.4 billion since its founding in 2014, enabling Turner to drive over \$5 billion in total investment to tackle America's interrelated challenges in housing, public education and community-based healthcare.

"The Pershing Square Foundation is pleased to partner with Turner Impact Capital for their second Multifamily Impact Fund," said Pershing Square Foundation Trustee Bill Ackman. "Bobby Turner and his team have demonstrated an ability to create a sustainable and scalable for-profit solution to address the current affordable housing crisis. In the wake of this pandemic, continuing to preserve affordable, high-quality housing for families with close proximity to their workplaces, schools, and other community resources could not be more important."

About Turner Impact Capital

Turner Impact Capital is the nation's largest private equity real estate firm exclusively dedicated to social impact. Based in Santa Monica, California, the firm focuses on creating sustainable solutions for many of today's most daunting societal problems by developing and investing in community-enriching infrastructure in densely populated, underserved communities. The firm seeks to generate superior risk-adjusted financial returns by investing in markets with large supply/demand mismatches of core community infrastructure

(i.e. workforce housing, public schools and community-serving healthcare facilities) and a lack of institutional capital. The Turner Impact team totals 250 people – 90 percent women, people of color, or both – from a wide range of disciplines including asset management, building and construction, education, healthcare, neighborhood safety, public policy, environmental sustainability and more.

Turner Impact Capital seeks profits with a purpose. Learn more at www.turnerimpact.com or @turnerimpact on Twitter.