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Holder Properties closes GP Fund focused on Sunbelt office markets

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Atlanta, GA Holder Properties (HP) successfully raise of its Sunbelt Office discretionary general partner fund (the Fund). The Fund will pursue core-plus and value-add Class A office acquisitions and redevelopments in select Sunbelt markets, primarily Atlanta, Charleston, Charlotte, Nashville, and Raleigh-Durham, with potential future expansion to Miami and Tampa. HP expects the Fund will provide purchasing power of ~\$1.0 billion including LP equity and leverage.

Through the Fund, HP intends to capitalize on near-term headwinds facing the office sector caused by COVID-19, coupled with strong demographics and positive office-using job growth in the Sunbelt. The Fund will leverage HP's vertically integrated platform to reimagine existing office assets and reposition them for a future that better aligns with changing tenant preferences. HP's plan is to create engaging, collaborative environments that attract young talent back to the office via upgrades to amenities, wellness programs, building sustainability, air quality, retail activation, amongst others.

"While the office segment faces significant challenges in large, gateway cities like New York and San Francisco, our firsthand experience in our existing Sunbelt office portfolio has been quite different," said John Holder, chairman and CEO of Holder Properties. "We noticed positive leasing activity, strong demographic tailwinds, and improving depth in capital markets starting in summer 2020, while national headlines continued to decry the future of office. Our view is that we have significant opportunity to reimagine "the office" to meet the market in a post-COVID world and we look forward to leveraging our vertically-integrated platform and 40+ years of expertise to do that."

The Fund's first closing was comprised of a mix of domestic institutional investors, family offices, and a significant commitment from principals of HP. Many of the Fund's investors are long-time investment partners of HP. This is the first time HP has raised a discretionary fund that will give investors access to HP's programmatic approach to office investing. HP expects the Fund to be the first of multiple funds to be raised across asset classes.

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