

January 19, 2021



## Bridge Investment Group Reaches \$25 Billion in Assets Under Management

*In 2020, Bridge raised over \$2 billion in capital and deployed nearly \$3 billion in new assets across investment verticals*

NEW YORK--(BUSINESS WIRE)--

Bridge Investment Group and its affiliates ("Bridge") announced today selected financial and operating results for 2020.

In 2020, Bridge raised \$2.3 billion of new equity capital and deployed nearly \$3 billion into new assets across its six specialized investment verticals, with further plans to deploy approximately \$11 billion over the next three years. Bridge ended 2020 with over \$25 billion of AUM.

Robert Morse, Executive Chairman at Bridge said, "Both market conditions and operating challenges were unprecedented in the face of the COVID pandemic, and Bridge navigated through difficult conditions well. We delivered outstanding results to our investors, we provided critical support to our resident and tenant communities and continued to strengthen our organization in a myriad of ways. We enter 2021 with optimism and resolve, to continue to execute on our mandate to produce first quartile results across our specialized investment verticals."

Jonathan Slager, Chief Executive Officer, said, "We were able to be opportunistic in selected verticals and markets throughout the year, and our deep local presence in the most attractive markets in the US allowed Bridge to deploy capital into attractively priced assets. We see continued opportunity in many markets and many verticals as we head into 2021."

Bridge's specialized investment teams deploy capital into high-growth, resilient sectors of multifamily residential, prime suburban commercial office and seniors housing. The firm also has an extensive CRE-backed fixed income investment strategy, and since 2019 has dramatically expanded its presence in the Opportunity Zone sector.

As a fully vertically-integrated real estate investment manager, Bridge operates almost every asset it acquires or develops. With a strong local presence, differentiated from many other industry participants, Bridge is able to drive value directly at the asset level to produce returns. Due to its forward integration, Bridge was able to connect with residents and tenants directly in the COVID-19 pandemic environment to assist as they navigated through the challenges it posed. The Bridge Cares COVID-19 Relief Fund, 100% funded by Bridge

principals and affiliates, provided almost \$2 million of financial assistance to residents, delivered over 60,000 meals to residents and assisted in gaining access other support. The company is currently expediting the delivery of vaccines to our 11,000 seniors housing residents on an accelerated basis and we continue to support our communities as the pandemic continues.

“The US real estate markets continue to offer exceptional investment opportunity due to the continuing strength of the US economy, supply/demand imbalances and demographic imperatives. Our significant real estate investment experience and ‘boots on the ground’ operating platforms allows Bridge to provide a fully-integrated investment and property management process to identify attractive opportunities and proactively manage the assets to optimization,” concluded Morse.

A breakdown of Bridge’s vertical investment theses and highlights from 2020 are included below:

### **Opportunity Zones**

Designed to target development and re-development projects in underserved areas, Bridge’s Opportunity Zone strategy provides attractive real estate exposure along with the tax benefits associated with opportunity zone investment. Since 2019 and across three funds, Bridge has raised and deployed nearly \$2 billion of equity to pursue 35 development projects aggregating \$4.5 billion of value. Bridge believes it is the leading Opportunity Zone Fund manager.

“Bridge has targeted development and re-development projects to invest in energetic, “in the path of progress” Opportunity Zones throughout the country,” said David Coelho, Chief Investment Officer for the Bridge Opportunity Zone Strategy. “Our team is focused on creating transit-oriented work/live/play mostly multifamily developments that are positive catalysts for job growth and urbanization in these communities. We observe both the letter and spirit of the Opportunity Zone legislation and are proud to be able to include an affordable housing component to our developments whenever possible, and to develop with the highest environmental standards possible. We anticipate continuing our Opportunity Zone investment activity into 2021 and remain very excited about this program’s impact on these underserved communities.”

### **Multifamily**

With a focus on investing in value-add multifamily housing properties in MSAs with strong macroeconomic prospects, Bridge Multifamily Fund Manager LLC (“Bridge Multifamily”) aims to add value by transforming unit interiors and common areas, increasing tenant satisfaction, and adding profound social and community program amenities, all to achieve strong occupancy and rent growth. Bridge Multifamily is a fully-integrated manager with over 900 professionals focused on multifamily property management. Bridge owns or manages over 42,000 units today and plans to deploy over \$2.0 billion of equity to acquire or develop assets in the multifamily space over the next two years.

“Bridge Multifamily has seen strong demand from the ‘triple play’ of opportunity: millennials, seniors and immigrants,” said Colin Apple, Co-Chief Investment Officer for the Bridge Multifamily Strategy. “New supply of Class B multifamily is severely constrained, and

occupancy is projected to remain high with steady rental rate increases. As an integrated property manager, we seek to deliver outstanding value for the rental dollar, through the provision of extensive community and social programming at our communities, to deliver much more than simply “four walls and a roof” to our valued residents.”

Bridge Multifamily also announced in 2020 plans to deploy an additional \$1.5 billion of capital within its Workforce & Affordable Housing strategy, which aims to create and preserve affordable housing for America’s workforce.

“The pandemic has only heightened the acute need for quality workforce and affordable housing in America. We provide the highest level of value to our residents, from best in class amenities to a dedicated social programming center at each community. As leaders in a private market solution to workforce housing, we continue to prove that you can do well by doing good,” said Brock Andrus, Deputy Chief Investment Officer of Bridge’s Workforce & Affordable Housing strategy.

### **Fixed Income**

Bridge expanded its set of Fixed Income products in 2020; launched amidst the COVID-19 pandemic, the agency mortgage-backed securities strategy managed by Bridge Agency MBS Fund Manager LLC (“Bridge AMBS”) was met with strong interest from the market, and the investment portfolio has grown to nearly \$1 billion to date. Through analytical structuring and extensive, data driven stress testing, Bridge AMBS seeks to deliver 8-10% net to the investor current yield coupled with monthly liquidity to investors in this strategy. The underlying investments, in Government-guaranteed agency mortgage backed securities have never experienced a single dollar of defaults.

“Bridge AMBS has had a successful year deploying capital into the agency mortgage-backed securities market. Agency MBS issuance volumes have grown over 100% as mortgage rates declined to multi-decade historical lows, boosting demand for refinancing and new home loans,” said Mohit Chandarana, Chief Investment Officer of Bridge AMBS. “We have drawn from our team’s deep expertise in the selection of attractively valued mortgage-backed securities and interest rate-risk hedging to deliver strong risk-adjusted returns for investors in the current low yield environment.”

Bridge Debt Strategies Fund Manager LLC (“Bridge Debt Strategies”) employs an all-weather, income-focused strategy to create a diversified portfolio, focusing on a mix of first mortgage floating-rate loans, and Freddie Mac K-Series subordinated tranches. In a macro environment in which yield is very hard to come by, the Bridge Debt Strategies investment thesis has delivered 9-11% net to the investor returns in three prior vehicles and has maintained that target in its current vehicle. Bridge announced its intention to deploy over \$2.5 billion in this strategy over the next three years.

“Bridge Debt Strategies Fund Manager is focused on debt investments primarily against recession-resistant multifamily assets with attention to liquid, high-growth secondary markets in the US,” said James Chung, Chief Investment Officer for the Bridge Debt Strategy. “The Firm’s vertically-integrated operating platform complements the lending platform by providing in-depth due diligence and the ability to own and manage assets if necessary.”

### **Seniors Housing**

Bridge Seniors Housing Fund Manager LLC (“Bridge Seniors”) believes that seniors housing is one of the most attractive segments in the US real estate market, offering significant consolidation opportunities and durable industry fundamentals. The sector’s significant growth is driven by the long-term demographics of the seniors cohort, which will increase in size three times faster than in the prior 10 years. Moreover, the COVID-19 pandemic has further elevated the importance of private-pay seniors housing as a critical component of the US healthcare continuum, underscoring the durability, essential, and needs-based nature the of the sector. A significant current supply/demand imbalance, coupled with approaching functional obsolescence of meaningful supply, provides the fundamentals for an extraordinary investment opportunity.

“As a fully integrated owner-operator of seniors housing communities, we have distinguished our platform. This, combined with the demographic tailwinds, new supply moderating, and product validation during the pandemic make this next cycle an exceptional landscape to drive outsized returns,” explained Robb Chapin, Chief Executive Officer of Bridge Seniors.

### **Commercial Office**

Bridge Office Fund Manager LLC (“Bridge Office”) targets value-add commercial office assets in US prime suburban submarkets. Steady job growth, lack of new supply and aging existing inventory have created opportunities to acquire quality office assets at significant discounts to replacement costs. Building on Bridge’s deep industry expertise and multi-cycle track record as a seasoned owner/operator, Bridge Office offers specialized opportunities in acquiring well-located, high-quality office assets with outstanding risk/reward metrics.

Jeff Shaw, Chief Executive Office of Bridge Commercial Real Estate, commented, “Our high performance in 2020 demonstrates the importance of investing in assets in the knowledge economy, and of our in-house leasing and tenant relations capabilities. Renewals and new leases in the fourth quarter surpassing that of the fourth quarter of 2019, and the number of leases signed in 2020 exceeded 2019. Tenant demands require asset owners to be engaged and responsive, and prioritize the prime suburban locations that have always been the Bridge focus.”

### **Corporate Responsibility**

Bridge strengthened its organization in 2020 through several internal initiatives, including the formation of a Diversity, Equity and Inclusion committee, and continued efforts around Environmental, Social and Corporate Governance, the Bridge Charitable Committee, and the Bridge Women’s Network.

James Chung, Chair of the Bridge Diversity, Equality and Inclusion Committee, explained that “at Bridge, we believe that diversity, equity and inclusion are critical to improving our company performance, and we are embracing DE&I through empowerment groups, training, recruiting, and succession planning. Furthermore, we are re-evaluating our DE&I practices with the help of an outside consultant and with their help will be implementing several new DE&I initiatives in 2021.” Selected highlights from 2020 included the rollout of several employee empowerment groups, an expanded recruiting process that includes Historically Black Colleges and Universities, and the institution of paid time off for election voting.

Inna Khidekel, Chairwoman of the Bridge Charitable Giving Committee, commented that

“Bridge has always been at the forefront of community revitalization, and our growth has allowed us to further support the communities in which we operate. In 2020, Bridge sponsored the first iteration of our Bridge CARES: COVID-19 Relief Fund, provided college scholarships to 12 Bridge Scholars as part of the “Bridge to Education” program, bolstered the spirit of the Opportunity Zone legislation by sponsoring 38 foster youth at our Archer Avenue project in Queens, distributed 1,500 pairs of athletic shoes to disadvantaged elementary school students as part of the Bridge “Boots on the Ground” program and supported 7,200 homeless youth with essential supplies via our “We Got Your Back” initiative.

Isela Rosales, MD of ESG at Bridge, further mentioned that “2020 was a milestone year for Bridge on the ESG front. Among the many highlights, Bridge became a UN PRI Signatory, established designated ESG Steering and Diversity, Equity and Inclusion (DE&I) Committees, and received shortlist award recognition from UN PRI and the ESG Investing Awards for its impactful work in the preservation and rehabilitation of affordable housing across the U.S. I am excited to further cultivate our ESG work in 2021 and beyond as we pursue solar initiatives, expand sustainability reporting, continue growing our social and community programming, further enhance green sustainability activity across our assets, and promote continued DE&I progress firmwide.”

### **About Bridge Investment Group**

Bridge Investment Group is a privately-held real estate investment management firm with \$25.0+ billion in assets under management. Bridge combines its 4,200+-person, nationwide operating platform with specialized teams of investment professionals focused on select US real estate verticals, which Bridge believes offer above-market opportunity: multifamily, office, seniors housing, workforce & affordable housing, opportunity zones, and debt strategies.

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Source: Bridge Investment Group