



News Release

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TruAmerica Acquires Large Southern California Multifamily Portfolio for \$482 Million

One of the largest multifamily transactions in Southern California history advances firm's mission to provide affordable, quality workforce housing in key Western US markets

LOS ANGELES, January 21, 2015 – TruAmerica Multifamily, in partnership with a syndicate of domestic and international institutional investors including The Guardian Life Insurance Company of America® (Guardian) and Allstate, has acquired a 14-property multifamily portfolio for \$482 million. The transaction represents the largest multifamily asset purchase in Southern California in nearly two decades and bolsters TruAmerica's reputation as a major player in the multifamily investment sector.

“Assembling an attractive, value-add Class B multifamily portfolio of this size, particularly in Southern California, would take years if the assets were acquired individually,” said TruAmerica CEO Robert Hart. “Having a demonstrated ability to execute on complex transactions, we were able to source this deal off-market with very well capitalized institutional investment partners and take advantage of an exceptional and rare opportunity.”

The portfolio, acquired from Newport Beach, CA-based JH Real Estate Partners, Inc., totals 2,669 units and is comprised largely of 1980s vintage Class B apartment communities in Los Angeles County, San Diego County and the Inland Empire.

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Each property within the portfolio fits into TruAmerica's double bottom-line business plan to acquire and improve the operating performance of well-located mid-tier assets in primary Western US markets and transform them into affordable, higher quality workforce housing.

"Class B rents are expected to rise at least 5% across most Southern California market sectors this year," said Hart. "While we intend to benefit from the expected rise in rental demand, it is TruAmerica and its partners' mission to create affordable, well-amenitized housing for the American workforce."

TruAmerica foresees tremendous value-add upside across the portfolio in a number of areas and will invest an additional \$40 million in its execution of a repositioning strategy that will include targeted property-specific exterior and interior unit upgrades, and community amenities. Properties will benefit from significantly enhanced pool areas, leasing offices, fitness centers and landscaping. Residents in freshly renovated units also will enjoy new and improved countertops, appliances, cabinets, flooring and light fixtures.

"We continue to be an enthusiastic supporter of TruAmerica and the success they have had over the past two years," said Robert O'Rourke, Senior Managing Director, Head of Real Estate Investments at Guardian. "We see great potential in the continued value of affordable, well-amenitized workforce housing, and believe TruAmerica's latest acquisition will provide strong returns for our policyholders."

"This is a terrific addition to our growing real estate portfolio, and allows Allstate to invest in highly desirable properties in growing markets with trusted partners," added Michael Moran, Vice President and head of Real Estate Investments at Allstate. "We believe the trends supporting rental housing, particularly more affordable alternatives, will persist."

The portfolio acquisition was leveraged with a \$354 million FannieMae Credit Facility from Berkeley Point Capital, which was originated by Senior Managing Director Mitch Clarfield.

The sizable agency facility, featuring a mix of fixed and floating rate, variable term loans with an exceptional blended interest rate of 2.59%, provides tremendous financing flexibility across the existing portfolio and gives the investor group the capability to acquire additional assets.

About TruAmerica Multifamily

TruAmerica Multifamily is a vertically integrated value-add multifamily investment firm based in Los Angeles. Founded in July 2013 as a joint venture between Robert Hart and The Guardian Life Insurance Company of America, TruAmerica has been one of the country's most active multifamily investors and manages a \$3 billion portfolio of nearly 16,000 units across prime locations throughout Northern and Southern California, Colorado, Arizona and Washington. For more information on TruAmerica Multifamily, visit www.truamerica.com or call (424) 325-2750.

About Guardian

A mutual insurer founded in 1860, The Guardian Life Insurance Company of America (Guardian) and its subsidiaries are committed to protecting individuals, business owners and their employees with life, disability income and dental insurance products, and offer funding vehicles for 401(k) plans, annuities and other financial products. Guardian operates one of the largest dental networks in the United States, and protects more than eight million employees and their families at over 115,000 companies. The company has approximately 5,000 employees in the United States and a network of over 3,000 financial representatives in more than 80 agencies nationwide. For more information about Guardian, please visit www.GuardianLife.com.

About Allstate

[The Allstate Corporation](http://www.Allstate.com) (NYSE: ALL) is the nation's largest publicly held personal lines insurer, protecting approximately 16 million households from life's uncertainties through its [Allstate](#), [Encompass](#), [Esurance](#) and [Answer Financial](#) brand names and [Allstate Financial](#) business segment. Allstate is widely known through the slogan "You're In Good Hands With Allstate®." The Allstate brand's network of small businesses offers auto, home, life and retirement products and services to customers in the United States and Canada. In 2013, The Allstate Foundation, Allstate, its employees and agency owners gave \$29 million to support local communities. Allstate employees and agency owners donated 200,000 hours of service across the country.