

# NEWS RELEASE



**Cathy Marcus**  
Global Chief Operating  
Officer and Head of U.S.  
Equity, PGIM Real Estate



**Bryan McDonnell**  
Head of U.S. Debt and Chair  
of Global Debt, PGIM Real  
Estate

## PGIM Real Estate global transactions rose 43% in 2021, driven by US logistics, affordable and senior housing, ESG

**NEWARK, N.J., March 30, 2022** – PGIM Real Estate completed a record \$42.7 billion in transactions globally in 2021, up 43% from the prior year — including \$35 billion in transactions in the U.S. alone, up 38% from the previous year. PGIM Real Estate is the \$209.3 billion real estate business of PGIM.

In Asia-Pacific, the firm completed \$3.0 billion in 68 transactions and in Europe \$4.7 billion in 76 transactions — across both debt and equity transactions.

“The growth in PGIM Real Estate’s portfolio has been largely led by our success investing in high conviction themes driven by four key growth pillars: digital transformation, generational change in living habits increasing demand for affordable housing, the aging population, and ESG credentials,” said Cathy Marcus, global chief operating officer and head of U.S. equity for PGIM Real Estate. “One advantage of being a large real estate investor with a broad platform is that we can explore new ideas and trends in funds with different risk profiles and deploy capital with flexibility.”

Bryan McDonnell, head of U.S. Debt and chair of Global Debt for PGIM Real Estate, added, “A strategic advantage of our global lending reach is our ability to identify movements in the capital markets and trends in real estate in different regions of the world. This perspective allows us to confidently lend across a range of risk profiles to offer solutions to our borrowers and provide a range of investment options for our investors, while maintaining a consistent focus on these key growth pillars.”

### Digital Transformation Drives Logistics Activity

PGIM Real Estate entered strategic joint ventures with logistics developers and completed a total of \$5.6 billion across 99 logistics transactions in the U.S., as the rise of e-commerce continues to fuel the sector. Representative deals include the \$440 million acquisition of Bayonne Logistics Center on behalf of PGIM Real Estate’s core fund and the \$250 million fixed-rate financing of a “last-mile” core logistics portfolio. Bayonne Logistics Center, a 115-acre site along the Upper New York Bay, enables the tenant to use a newly developed “roll-on and roll-off” delivery strategy, floating packed vans across to Brooklyn on barges, thus saving on costs and reducing the number of trucks on the road. The “last-mile” core logistics portfolio consists of five properties across Atlanta, Dallas-Fort Worth, Chicago, Memphis, and California’s Central Valley, enabling same-day and next-day delivery to customers.

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### **Growing Demand for Affordable Housing Options**

PGIM Real Estate demonstrated its commitment to bringing high-quality affordable accommodation to the U.S. market through its joint venture with Legacy Communities for a national housing portfolio of manufactured home communities, and recently completed the disposition of a five-property manufactured housing portfolio located across Florida, Ohio and Massachusetts. The Debt platform also continued its role as a Government-Sponsored Enterprise (GSE), Agency and Federal Housing and Administration lender, lending \$1.9 billion to the affordable housing sector over the last year.

### **An Aging Population Fuels Senior Living Development**

PGIM Real Estate invested \$1.6 billion into the senior living sector in 2021, anticipating increasing demand for these communities, driven by aging population demographics throughout the United States. Representative deals include the \$78 million development of Holden Delray Beach, a 187-unit independent living, assisted living and memory care project in Florida managed by The Arbor Company — PGIM Real Estate’s largest operator partner.

### **ESG Credentials Attracting More Than Goodwill**

PGIM Real Estate’s commitment to reduce operational carbon emissions of its global portfolio of managed properties to net zero by 2050 includes its recent development of a 10-story, 220,000-square-foot, class A+ carbon-neutral office building in Bellevue, Washington. The building — with a “big tech” tenant already signed — will target LEED Gold and LEED Zero certification, buy green power and avoid the use of fossil fuels, buying carbon offset credits when necessary. In 2021, the firm completed more than \$1.4 billion of debt and equity investments across 22 office transactions in the U.S., prioritizing the upgrade of properties’ ESG-credentials.

### **ABOUT PGIM REAL ESTATE**

As one of the largest real estate managers in the world with \$209.3 billion in gross assets under management and administration,<sup>1</sup> PGIM Real Estate strives to deliver exceptional outcomes for investors and borrowers through a range of real estate equity and debt solutions across the risk-return spectrum. PGIM Real Estate is a business of PGIM, the \$1.5 trillion global asset management business of Prudential Financial, Inc. ([NYSE: PRU](#)).

PGIM Real Estate’s rigorous risk management, seamless execution, and extensive industry insights are backed by a 50-year legacy of investing in commercial real estate, a 140-year history of real estate financing,<sup>2</sup> and the deep local expertise of professionals in 32 cities globally. Through its investment, financing, asset management, and talent management approach, PGIM Real Estate engages in practices that ignite positive environmental and social impact, while pursuing activities that strengthen communities around the world. For more information visit [pgimrealestate.com](http://pgimrealestate.com).

### **ABOUT PGIM**

[PGIM](#), the global asset management business of Prudential Financial, Inc. ([NYSE: PRU](#)), ranks among the top 10 largest asset managers in the world<sup>3</sup> with \$1.5 trillion in assets under management as of Dec. 31, 2021. With offices in 17 countries, PGIM’s businesses offer a range of investment solutions for retail and institutional investors around the world across a broad range of asset classes, including public fixed income, private fixed income, fundamental equity, quantitative equity, real estate and alternatives. For more information about PGIM, visit [pgim.com](http://pgim.com).

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<sup>1</sup> As of Dec. 31, 2021. AUM reflected as gross. Net AUM is \$137.9 billion and AUA is \$45.9 billion.

<sup>2</sup> Includes legacy lending through PGIM's parent company, Prudential Financial, Inc.

<sup>3</sup> PGIM is the investment management business of Prudential Financial, Inc. (PFI). PFI is the 10th largest investment manager (out of 477 firms surveyed) in terms of global assets under management based on Pensions & Investments' Top Money Managers list published on May 31, 2021. This ranking represents global assets under management by PFI as of Dec. 31, 2020.

**For Professional Investors Only. All investments involve risk, including the possible loss of capital.**

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