



TRANSCENDENT
ELECTRA

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MULTIFAMILY LEADER AND TOP SINGLE-FAMILY HOME INVESTMENT & DEVELOPMENT PLATFORM JOIN FORCES

Transcendent Electra is a joint venture focused on the acquisition of new homes in the Sunbelt states

MIAMI (February 24, 2021) – Transcendent Investment Management (TIM), a private equity firm focused on the housing market, and Electra America, a private equity firm specializing in the multifamily sector, have teamed up to grow and scale a leading single-family rental (SFR) housing platform that will target newly built housing in fast-growing Sunbelt markets. The new joint venture, Transcendent Electra, has established a fund for the acquisition of high-quality homes from top home-builders in attractive suburban neighborhoods in the states of Florida, Georgia, Texas, North Carolina, South Carolina and Tennessee – where both firms have an existing footprint.

Jordan Kavana will serve as Transcendent Electra’s CEO. The new joint venture, through its partnership with leading homebuilders, plans to acquire and develop 15,000 new single-family units over the next five years.

“Our mission is to provide quality housing for families across the Southeast,” said Kavana. “The goal of this partnership is to bring unparalleled multifamily management expertise and cost efficiencies to the single-family housing sector.”

Added Joe Lubeck, CEO of Electra America, “This is wonderful alliance of two leading real estate firms with a strong footprint in Sunbelt states where demand is most robust, and decades of experience in acquiring and managing residential real estate assets to create superior, risk-adjusted returns for investors.”

The single-family rental housing market has seen a surge in demand as individuals and families fled cities during the pandemic for less densely populated suburban areas in the Southeast. In Q3 2020, for example, 59 percent of new single-family rental home residents

relocated from urban environments, according to a report by the National Rental Home Council (NRHC) and John Burns Real Estate Consulting (JBREC). Additionally, 53 percent of owners reported homes leasing more quickly than one year ago, with overall market occupancy reaching 97 percent.

“The Sunbelt is home to about 40 percent of all U.S. households and is expected to see 60 percent of the growth in households by 2025,” added Kavana. “Given the housing shortage and rapidly rising home prices, demand for rental housing will remain strong.”

Electra Transcendent will target new-build homes, vacant at acquisition with builder guarantees, in the \$175,000 to \$300,000 price range, where average rent will be \$1,500 to \$2,300 per month.

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About Transcendent Investment Management (TIM)

TIM has significant experience in the Single-Family Residential asset class as one of the first large scale investors, dating back to the great recession when TIM purchased over 6,000 homes at deep discounts via multiple channels including auction, tax lien foreclosures and REO purchases. In 2014, sensing a mature and overbought market, TIM shifted its strategy from buying via its traditional channels to bulk buying new and warrantied units at discounts from large US homebuilders. Based in Miami, TIM has completed over \$1 billion in real estate transactions and has expertise in the major Sunbelt markets.

About Electra America

Electra America is a real estate private equity firm focused on value-add and opportunistic investments in the U.S. Sunbelt markets. With initial capital commitments totaling approximately \$2.5 billion across multiple funds managed by the firm and its affiliates, Electra America’s portfolio encompasses more than \$6 billion in commercial real estate property holdings and debt in the multifamily, hospitality and single-family rental home sectors. Leveraging decades of expertise, Electra America is committed to transparency, the alignment of interests between sponsors and investors, and delivering superior risk-adjusted returns to its investors and partners. Electra America is a partnership between The Lubeck Family and a subsidiary of Electra Real Estate Ltd., an Israeli company founded in 1972 and publicly traded on the Tel Aviv stock exchange (TLV: ELCRE). For more information, visit www.electramerica.com.