

## PRESS RELEASE

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### EQT Exeter expands US multifamily team with the acquisition of Redwood Capital Group

EQT AB (publ) ("EQT") has reached an agreement to acquire Redwood Capital Group ("RCG"), a residential core plus and value-add investment manager headquartered in Chicago, Illinois, USA, strengthening EQT Exeter's position as a global leader across sheds, beds and meds.

#### Strategic rationale

- As a vertically integrated, geographic- and sector-focused specialist, the combination of EQT Exeter's multifamily group with RCG will enable expanded deal flow, allowing the combined team to pursue the highest performing opportunities in the US with experienced professionals across 10 offices
- RCG's in-house property management expertise will enhance EQT Exeter's unique vertical integration and provide expanded services to residents; RCG also brings digital analytics to improve investment and asset management decisions
- Over more than 15 years, RCG has successfully executed 79 transactions in the US, spanning core plus and value-add strategies, and their deep sector expertise and strong reputation, coupled with EQT Exeter's world-class in-house residential development team, will improve insight on buy versus build decisions
- EQT Exeter and RCG share similar investment philosophies and operating platforms, including a strong commitment to sustainability; EQT Exeter is developing multifamily buildings that are Fitwel and LEED certified, including the first Fitwel certified residential building in Philadelphia
- RCG will leverage EQT Exeter's existing client relationships and broad international platform, including fundraising capabilities, sustainability efforts, and operational strengths
- As the largest real estate sector in the US, residential is highly scalable, with positive renter demographics and sustainable growth characteristics, resulting in resilient returns

Founded in 2007 by David Carlson and Mark Isaacson, RCG is a vertically integrated, core plus and value-oriented residential investment management firm, deeply experienced in all operating areas, including acquisition, asset management, construction management and property management. RCG, which has approximately 35 corporate employees, has successfully executed 79 multifamily investments in high-growth US markets, including 48 realized investments that achieved in excess of 2x equity returns across more than 22,000 units. RCG investments comprise deal-by-deal joint ventures on behalf of multiple institutional clients, including global fund sponsors, insurance companies and family offices.

The RCG team will combine with EQT Exeter's existing US multifamily team, complementing EQT Exeter's immense development capabilities in the space. The EQT Exeter multifamily team, led by Bryan Lamb, has focused on value-add strategies, primarily with development opportunities located in strong medical, educational, and technical hubs across the US.



Together, RCG and the EQT Exeter Multifamily team have completed transactions totaling USD 5 billion GAV, including over USD 1 billion of high-rise, mid-rise and garden-stye development projects. Following this combination, EQT Exeter's expanded multifamily team will consist of nearly 55 experienced investment professionals, in addition to RCG's in-house property management team, making EQT Exeter one of the strongest vertically integrated real estate firms. With expertise in acquisitions, asset management, property management and construction and development across 10 US cities, the combination will further EQT Exeter's local-with-locals offering with dedicated residential expertise. The new group will be led by RCG's co-founder, David Carlson, who will report directly to Ward Fitzgerald, head of EQT Exeter. The integrated team will build on the existing successful approach of acquiring and developing residential properties across value-add and core plus strategies and intends to pursue diverse residential strategies in sectors including multifamily, student housing, workforce housing and self-storage.

Ward Fitzgerald, Partner and Head of EQT Exeter, said, "I am thrilled to welcome David, Mark and the RCG team to EQT Exeter. RCG's strong cultural fit, impressive performance, aligned investment approach and similar commitment to sustainability make them the ideal partners as we continue to establish EQT Exeter as a global geo-sector leader across sheds, beds, and meds. Expanding our multifamily offering is a crucial step in our growth, and this combination offers a fantastic opportunity to build on the significant track records of both our firms, as we develop one of the leading residential real estate businesses in the US."

David Carlson, Co-Founder and CIO of Redwood Capital Group, said, "When Mark Isaacson and I founded RCG over 15 years ago, our goal was to create one of the premier real estate investment management platforms in the industry. We are proud of what our people, track record and culture have allowed us to achieve and believe that with this combination with the EQT Exeter multifamily team, and the backing of EQT AB, we will continue to fulfill that vision"

RCG has approximately 35 full-time employees that will join EQT Exeter and is estimated to generate below USD 10 million in revenues during 2022. The transaction is not deemed to have a material impact on EQT AB's financial numbers and will not add any assets under management to EQT AB at closing. Closing on the transaction, which is subject to customary closing conditions including third party consents, is expected to take place by Q3 2022.

#### **Disclaimer**

*This press release contains forward-looking statements. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond EQT's control, which may cause actual results to differ significantly from those expressed in any forward-looking statement. All forward-looking statements reflect EQT's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Furthermore, EQT disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes.*

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#### **About EQT**

*EQT is a purpose-driven global investment organization focused on active ownership strategies. With a Nordic heritage and a global mindset, EQT has a track record of almost three decades of delivering consistent and attractive returns across multiple geographies, sectors and strategies. EQT has investment strategies covering all phases of a business' development, from start-up to maturity. EQT*



today has EUR 77 billion in assets under management across 36 active funds within two business segments – Private Capital and Real Assets.

*With its roots in the Wallenberg family's entrepreneurial mindset and philosophy of long-term ownership, EQT is guided by a set of strong values and a distinct corporate culture. EQT manages and advises funds and vehicles that invest across the world with the mission to future-proof companies, generate attractive returns and make a positive impact with everything EQT does.*

*The EQT AB Group comprises EQT AB (publ) and its direct and indirect subsidiaries, which include general partners and fund managers of EQT funds as well as entities advising EQT funds. EQT has offices in 23 countries across Europe, Asia-Pacific and the Americas and has more than 1,300 employees.*

More info: [www.eqtgroup.com](http://www.eqtgroup.com)

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### **About EQT Exeter**

*EQT Exeter is a global real estate solutions provider serving corporate and consumer tenants with scope and scale. EQT Exeter is among the largest real estate investment managers in the world, focused on acquiring, developing and managing logistics/industrial, office, life science and residential properties in Europe, the Americas and Asia. EQT Exeter was created through the combination of EQT Real Estate and Exeter Property Group.*

*A global leader in sheds, beds, and meds, EQT Exeter currently oversees a portfolio totaling over 350 million square feet across 1,800 buildings, while executing a tenant-centric strategy. The EQT Exeter Team comprises more than 300 experienced professionals operating in 44 offices around the globe. Together, they have consummated over 850 real estate investments. As part of EQT, the team leverages the firm's industry-leading sustainability credentials and framework and in-house digitalization skills to generate increased value for its investor clients.*

### **About Redwood Capital Group**

*Established in 2007, Redwood Capital Group has acquired, renovated and repositioned more than 22,000 units encompassing 79 individual multifamily investment properties. RCG has invested in excess of USD 1 billion of equity on behalf of world-class institutions, life companies, global fund sponsors and family offices. RCG has an exceptional track record built on the experience and dedication of their highly competent real estate professionals. The firm's core plus and value-add investments are sourced in a differentiated set of target cities and regions, backed by a proprietary data-driven model that incorporates up to 24 metrics by market, including multiple demographic trends and a diversified, and durable employment base.*

More info: [www.redwoodcapgroup.com](http://www.redwoodcapgroup.com)