



CenterSquare Investment Management and Arch Street Capital Advisors Form Service Property Joint Venture

Partnership Will Aggregate a Portfolio of Retail Properties throughout the Growing Sunbelt Markets

Philadelphia, PA – August 23, 2021 – CenterSquare Investment Management (CenterSquare) and Arch Street Capital Advisors (Arch), acting on behalf of a capital partner, today announced a joint venture (JV) targeting investments in high-end Service Properties in the Sunbelt region of the United States. Supporting the strategy is an acquisition financing facility from Barclays, providing the JV the ability to acquire approximately \$150 million of properties. Since the formation in July, the JV has closed three separate transactions, acquiring four properties located in Orlando, Houston and Atlanta. The joint venture is actively seeking new Service Property investment opportunities in the \$7 – 20 million price range.

Service Properties, a niche sector of Retail, comprise institutional quality, multi-tenant shopping centers leased to businesses whose customers must visit the store to consume the service. Deemed “essential” during the COVID-19 quarantine, many of these businesses remained open in 2020 and include national and regional brands that offer quick service dining, beauty, fitness, health and medical and professional services. The JV is targeting unanchored properties that are located on well trafficked, highly visible street corners in growing cities throughout the Sunbelt region.

CenterSquare Senior Vice President Robert Holuba noted why the firm has been investing in this sector since 2015, assembling a national portfolio that has enjoyed strong operating performance vis-a-vis other asset classes both before and during the pandemic:

“Changing consumer patterns have created meaningful tailwinds behind the growth of the service sector, which is translating into strong fundamentals for essential service retail properties,” said Holuba. “While much of the retail sector continues to be painted with the same negative brush, we recognize there is a unique window of opportunity to acquire high performing service property assets at favorable pricing. For these reasons, we continue to view these investment opportunities as some of the most attractive risk-adjusted returns in the market today.”

Arch’s Senior Vice President, Gautam Mashettiwar, concurred saying:

“We are excited to partner with CenterSquare on this sector-focused strategy. The Service Properties sector remains highly fragmented and provides a compelling opportunity to create a diversified portfolio of attractive yield generating properties.”



About CenterSquare

Founded in 1987, CenterSquare Investment Management is an independent, employee-owned real asset manager focused on listed real estate, private equity real estate and private real estate debt. As a trusted fiduciary, our success is firmly rooted in aligning our interests with those of our clients, partners and employees. CenterSquare is headquartered in suburban Philadelphia, with offices in New York, Los Angeles, London and Singapore. With more than \$14 billion in assets under management (July 2021), CenterSquare is proud to manage investments on behalf of some of the world's most well-known institutional and private investors. For more information, visit www.centersquare.com.

About Arch

Arch Street Capital Advisors is a full-service real estate investment advisory firm. Arch specializes in assisting institutional investors with their real estate investment strategies including acquisition and joint venture advisory, financing advisory, and asset management and disposition services. Since 2003, Arch has advised its capital partners on more than \$8.5 billion of acquisitions, dispositions and financings. Arch manages a diverse portfolio of investments across multiple sectors, including industrial, office, multi-family, single-family, hospitality, retail, health care, student housing and land. For more information, visit www.archstreetcapital.com.

Media Contacts:

Emily Mendell, Director of Marketing and Communications, CenterSquare
(610) 818-4674
emendell@centersquare.com

Zach Kouwe, DLPR for CenterSquare
(551) 655-4032
zkouwe@dlpr.com