



CARROLL®

# OUTPERFORMING THE INDUSTRY THROUGH INNOVATIVE & PROVEN STRATEGIES

With a national footprint and 35,000 units under management, CARROLL is led by a seasoned team with \$12B in transactional experience over the past 9 years. The company consistently outperforms the market. Its reputation of delivering exceptional risk-adjusted returns is the result of a strategy to pursue investments in pro-business climates with diversified economies, relative affordability, and growth prospects.

Recognized as a top 50 owner and manager the last 3 years by NMHC, CARROLL is a reliable and tested partner in real estate investment and management.



## Last 9 Years

- > \$12B in transactions
- > 166 Acquisitions and 80 Dispositions
- > Averaging 30 deals and \$1.3B in real estate transaction volume per year

**\$5.4B**  
AUM

**7%**  
AVERAGE  
ANNUAL  
CASH ON CASH  
RETURN

**7%**  
AVERAGE  
ANNUAL  
NOI  
GROWTH

**26%**  
IRR ON  
REALIZED  
TRANSACTIONS

**2.6 yrs**  
AVG HOLD  
PERIOD

## Large Addressable Market

Agile Within An Ever-Growing Multi-family Real Estate Segment:

The market for a dominant multifamily player is still wide-open and there continues to be growth in the segment. Multifamily is an accelerating demographic-driven demand sector which has proven to out-perform and be more resilient than GDP-driven demand sectors. The country needs to build 328k new apartment homes each year to meet demand yet annual completions have averaged just 216k since 2010.

- > US multi-family units - 28.3MM units in the US - 9.4MM in communities greater than 100 units
- > Highly fragmented market ripe for opportunity
  - Top owner only has 1.1% of the market share
  - Top manager only has 6.9% of market share
- > 22,582 multifamily communities in CARROLL's current existing footprint alone
- > \$4.1 trillion value of total apartment stock in U.S.



## How We Think

Carroll has a history of proactively assessing market conditions, pinpointing opportunity, and executing on a thoughtful strategy to realize results, while many other investors continued to target the same traditional investments and strategies.

Our thoughtful Investment Theses differed from the herd over the last 9 years:

- Undervalued MSAs
- Suburban v Urban
- Affordability within each asset class
- Focus on diverse employment base
- Consistency of cash flows
- Durable rent rolls
- High-growth, low-tax markets



Moving forward, increasing student loan debt, delayed family formation, rising home values, and stagnant wage growth are causing an increase in rental demand from all age segments.



## **STRONG MANAGEMENT TEAM**

### **Strong Pedigree**

Our seasoned team, led by founder & CEO Patrick Carroll, averages 21 years of experience in Real Estate and operations. With entrepreneurial success and a varied institutional pedigree from firms including Prudential, Morgan Stanley, Houlihan Lokey, PWC, and EY, the team excels in above market performance.

The leadership team is backed by a diverse team of over 800 employees nationally and a strong people-first culture.



## **SELF-PERFORM AT SCALE**

### **A Vertically Integrated Platform**

- > Internalized core functions for pricing power and service delivery efficiency
  - Scaled technology platform delivers hardware and software services to all properties
  - NocturnalXD provides scaled marketing solutions for all communities at a fraction of market cost
  - Construction services provide both project management scoping and execution, as well as GC capabilities
- > All business units operate profitably
  - Overall margins exceed 25% excluding transactional proceeds
  - Over 800 Employees



## **DURABLE BRAND**

### **Core Values of Excellence, Passion, Focus & Integrity**

CARROLL burst onto the scene following the 2008 recession. Since, the company has developed a durable brand that has been tested time after time. Through natural disasters, fires, and economic downturns, CARROLL has consistently led the market in delivering top results. As a nationally recognized brand, CARROLL has developed a reputation as the company that is called when other firms are under-delivering. The CARROLL platform amassed a following of top institutional investors and has completed transactions with the top global real estate owners – PGIM, Investcorp, AIG, Carlyle, KKR, Bentall Green Oak, Goldman Sachs, PCCP, Townsend, Starwood, and J.P. Morgan

### **Recent Events**

When Covid-19 hit, the industry braced for a hit to rent collection. Across the industry, in April of 2019, 97.7 percent of renters managed to pay their April rent on time. A year later, that number was down to 94.6%. CARROLL, however, collected rent from 96% of its residents in April and May, out-performing the market. Despite unprecedented headwinds as a result of COVID-19, CARROLL was able to achieve 7% savings to budgeted expenses in April leading portfolio NOI to beat budget by 1%.