

SVN | SFR CAPITAL MANAGEMENT



# BUILD-FOR-RENT AGGREGATION & ASSET MANAGEMENT PLATFORM

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SVN | SFR CAPITAL MANAGEMENT

# SVN INTERNATIONAL CORP.

SVN | SFR Capital Management and its investors benefit from the affiliation and support of SVN International Corp. (“SVNIC”). This partnership augments the efforts of our team in identifying and acquiring Single-Family Rental (“SFR”) and Build-for-Rent (“BFR”) portfolios.

The SVN Brand was founded in 1987 out of a desire to improve the commercial real estate industry for all stakeholders through cooperation and organized competition.

- **+2,000 Advisors and staff across the US and 7 countries**
- **Supports +500 submarkets within the US through +250 offices**
- **Provides sales, leasing and property management services to +5,500 clients globally**
- **#1 SFR/BFR national platform**
- **Named as 6<sup>th</sup> Most Powerful Brokerage Firm (2020, *Commercial Property Executive and Multi-Housing News*) and ranked as 7<sup>th</sup> Commercial Real Estate Global Brand (*Lipsey’s 2020 Top 25 Commercial Real Estate Brand Survey*)**



# SVN HISTORY OF GROWTH AND INNOVATION

1987-2000



## COMPENSATED COOPERATION

Founded in Southern California as an investment sales firm practicing compensated cooperation.

2001-2007



## VIRTUAL BROKERAGE OPERATIONS

Develops virtual brokerages and online tracking system.  
Adds 125 offices and 1,000 Advisors.

2008-2012



## TRANSFORMATIVE BUSINESS MODEL

Completes transformation to franchise operation.  
Expands into leasing, property management and corporate services.  
Grows to 170 offices.

2015-PRESENT

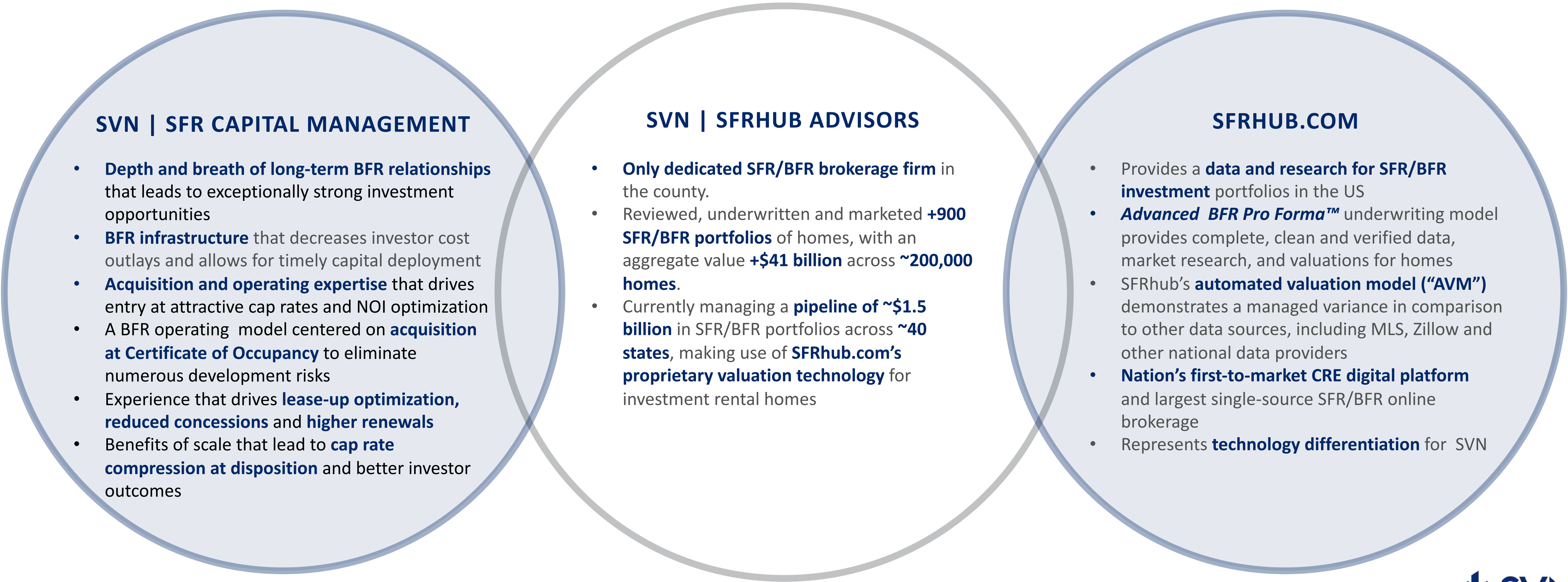


## SHARED VALUE

Changes name to SVN International Corp.  
Expands globally with 200+ offices in 8 countries and has 1600+ Advisors and Staff.  
Expands through inclusive Shared Value Network®.

# BFR PLATFORM COLLABRATION OVERVIEW

SVN | SFR Capital Management possesses deep commercial real estate, development and construction experience And source product through its affiliated business units which are all **leaders in the SFR/BFR segment.**





## HIGH IMPACT PLATFORM DEFFERENTIATION

- 
- Acquisition NOI Optimization & Cost Advantage (+IRR)
  - Operating Profitability Management (+ROI)
  - Disposition Cap Rate Compression (+IRR)
  - Capital Efficiency and Great Scalability
  - ESG\* INVESTMENT & INCREASED PROFITABILITY (+IRR)

## PROVEN TEAM & ROBUST BFR MODEL

- 
- Decades of residential development and construction experience
  - Three staged design, development, and operating optimization
  - Extensive capital market experience as principals
  - LARGEST NATIONAL BFR PLATFORM

\*SELECT COMMUNITIES MAY QUALIFY FOR ESG BENEFITS



# SVN | SFR IS FOCUSED ON NEW BUILD-FOR-RENT ASSETS, DUE TO SEVERAL IMPORTANT FACTORS...

A Large Addressable Market Benefits a Build-for-Rent Strategy

**PURCHASE-PRICE ARBITRAGE DUE TO ELIMINATION OF BUILDER  
MARKETING TIME AND EXPENSE**

**MINIMUM-TO-NO CAPEX FOR 7-10 YEARS**

**FASTER LEASE-UP & HIGHER OCCUPANCY LEVELS**

**NO IMPROVEMENT/REPOSITIONING REQUIRED**

**HIGHER SALES VALUE & RENT-GROWTH APPRECIATION**

**LONGER-TERM TENANT OCCUPANCY – REDUCING TENANT TURN  
EXPENSE**

**LOWER OPERATING EXPENSES – INCLUDING FROM ENERGY  
EFFICIENCY (ESG COMPLIANT)**

**HIGHER DEMAND AND CAP RATE COMPRESSION AT EXIT FROM  
INSTITUTIONAL INVESTORS**

**LOWER OVERHEAD AND INFRASTRUCTURE REQUIREMENTS**

**OPPORTUNITY TO SCALE OPERATING PLATFORM MORE QUICKLY  
THROUGH LARGER PURCHASES**



# THE PANDEMIC'S IMPACT ON SFR RENT GROWTH

The COVID experience has been a positive for SFR rent growth

## SPACE CONSIDERATIONS

- COVID has fueled the need for extra space and yard

## POPULATION SHIFT

- COVID is accelerating the shift to affordable and less dense markets with diverse economies

## FORECLOSURES

- Odds of a foreclosure wave are low, due to forbearance relief
- Most homes in forbearance have meaningful equity

## OCCUPANCY RATES

- High occupancy rates heading into the pandemic, reflecting strong demand

## RENTER BEHAVIOR

- No material increase in renters moving out to buy homes, despite 3% mortgage rates

## UNEMPLOYMENT EXPOSURE

- Less tenant exposure to income bands hit hardest by the pandemic vs. apartment renters



# CORE COVENANTS



A company's core values provide clarity on what is truly important for organizational success, personal and professional conduct and what to expect from each other. At SVN® our *Core Covenants* personify our values and culture and differentiate us from the competition.

AS MEMBERS OF THE SVN SHARED VALUE NETWORK®, WE EACH COMMIT TO DO THE FOLLOWING:

- 1 Create amazing value with my clients, colleagues and communities.
- 2 Cooperate proactively and place my clients' best interests above my own.
- 3 Include, respect and support all members of commercial real estate industry.
- 4 Honor my commitments.
- 5 Personify and uphold the SVN® brand.
- 6 Resolve conflicts quickly, positively and effectively.
- 7 Take personal responsibility for achieving my own potential.
- 8 Excel in my market area and specialty.
- 9 Focus on the positive and the possible.
- 10 Nurture my career while valuing the importance of family health and community.





THANK YOU

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