

# GINKGO REIT

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*Externally Managed By*

GINKGO   
residential

# Ginkgo Mission



The Ginkgo tree is arguably the most sustainable plant in the history of the world, with a magnificent design that has survived over 200 million years of existence. The Ginkgo defines our ideal as a company: strong, deep-rooted, adaptable and tenacious. With that in mind, the idea for Ginkgo Residential as a brand was formed. We invest in a solid core culture and exceptional customer service, and we strive to be greener, practicing more environmentally sensitive operations with every step we take.

# Ginkgo Residential – Company Facts



\$1.2 Billion  
AUM



\$20 Million annual  
construction spend



7,298 apartment  
homes managed



48 apartment  
communities managed



150+ on-site  
employees



40+ corporate/  
off-site employees



# Ginkgo Company History

1985

Ginkgo predecessor company formed

**Units Owned: 0**

**Units Managed: 0**



1994

BNP acquires first apartment community and becomes apartment REIT

**Units Owned: 250**

**Units Managed: 250**

**States: 1**



2007

BNP is purchased by Babcock and Brown

**Units Owned: 8,800**

**Units Managed: 8,800**

**States: 3**



2008

Management team forms new company (BBR) and takes on management of 30k+ units in 10 states

**Units Owned: 30,000**

**Units Managed: 30,000**

**States: 10**



2010

Ginkgo Residential launched and begins to target acquisition opportunities with external investors

**Units Owned: 0**

**Units Managed: 28,000**

**States: 10**



2013

Ginkgo Residential exits BBR management assignments and acquires third community

**Units Owned: 572**

**Units Managed: 6,000**

**States: 4**



2019

Ginkgo REIT accepts initial investors

**Units Owned: 6,000**

**Units Managed: 7,000**

**States: 3**



2022

Ginkgo has approximately \$1.2Bn of AUM, with \$180M of REIT equity and another \$350M of managed JV equity

**Units Owned: 7,000**

**Units Managed: 7,300**

**States: 2**



# ESG Initiatives



Electric &  
Carbon Savings



Water  
Conservation



Partnership  
with Lotus  
Campaign



Employee wellness  
and educational  
investment



Leader in  
Smoke-Free  
housing

## Environmental

- Recycling programs
- Smoke free apartments
- Paperless leasing offices
- Community gardens
- Solar panel projects
- ENERGY STAR HVAC systems, appliances, and windows
- Water Submetering and low-flow fixtures

## Social

- Ginkgo Gives Back quarterly campaigns
- Financial wellness training programs
- English and Spanish as a second language courses
- Lotus Campaign partnership

## Governance

- Annual audit of Ginkgo REIT
- Quarterly reporting and transparency
- Charlotte Observer Top Places to Work 2020-2022
- Senior level leadership in apartment trade associations

# Ginkgo AUM

| Investment Vehicle         | Market Value of Assets <sup>1</sup> | Debt <sup>2</sup>    | Equity               |
|----------------------------|-------------------------------------|----------------------|----------------------|
| REIT - Wholly Owned        | \$336,375,000                       | \$159,900,000        | \$176,475,000        |
| REIT - Interests in JVs    | \$699,737,000                       | \$424,986,000        | \$274,751,000        |
| Joint Ventures             | \$121,125,000                       | \$49,519,000         | \$71,606,000         |
| <i>Ginkgo Owned Total</i>  | <i>\$1,157,237,000</i>              | <i>\$634,405,000</i> | <i>\$522,832,000</i> |
| Property Management Assets | \$37,000,000                        | -                    | -                    |
| <b>Total</b>               | <b>\$1,194,237,000</b>              | <b>\$634,405,000</b> | <b>\$522,832,000</b> |

<sup>1</sup> As of December 31, 2022

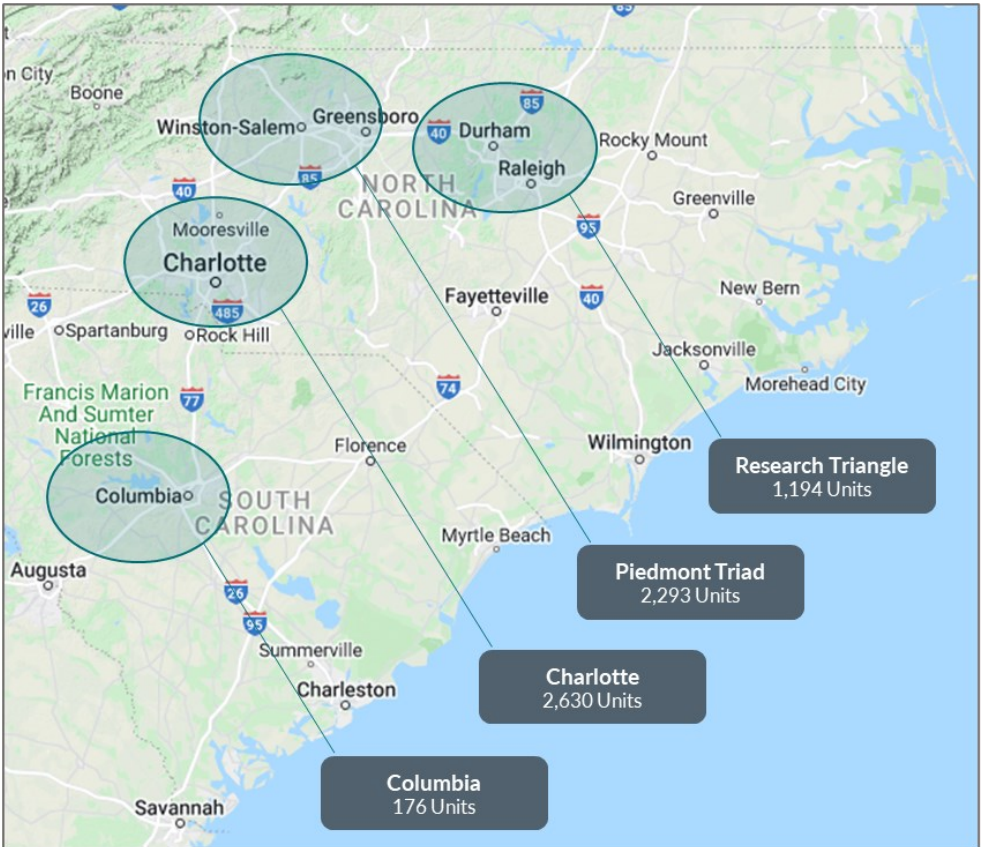
<sup>2</sup> Debt figures are inclusive of pre-payment penalties

## Ginkgo Performance - Realized

| Property                         | Location           | Number Of Units | Purchase Date     | Sale Date  | Aggregate Cost       | Sale Price           | Investor IRR | Investor Multiple |
|----------------------------------|--------------------|-----------------|-------------------|------------|----------------------|----------------------|--------------|-------------------|
| Yorktown                         | Durham, NC         | 236             | 12/31/2010        | 8/10/2014  | \$ 14,600,000        | \$ 23,600,000        | 32.6%        | 3.60x             |
| Central Pointe                   | Charlotte, NC      | 336             | 1/1/2013          | 9/26/2016  | 15,201,297           | 22,000,000           | 49.6%        | 3.66x             |
| Salem Crest                      | Winston-Salem, NC  | 144             | 5/27/2014         | 8/23/2017  | 4,959,198            | 6,200,000            | 28.7%        | 2.15x             |
| Reserves at Arboretum            | Newport News, VA   | 143             | 8/19/2014         | 9/19/2017  | 21,582,971           | 21,900,000           | 6.3%         | 1.13x             |
| Forest at Chasewood              | Charlotte, NC      | 220             | 1/9/2016          | 8/30/2018  | 14,340,058           | 17,800,000           | 29.6%        | 1.91x             |
| Bridgewater on the Lake          | Hampton Roads, VA  | 216             | 8/18/2014         | 7/31/2019  | 25,504,271           | 28,250,000           | 16.2%        | 2.00x             |
| Lake Ridge                       | Hampton Roads, VA  | 283             | 8/18/2014         | 7/31/2019  | 42,161,189           | 45,250,000           | 13.0%        | 1.89x             |
| Brookford Place                  | Winston-Salem, NC  | 108             | 1/11/2017         | 8/1/2019   | 8,586,548            | 9,848,906            | 20.4%        | 1.61x             |
| Glendare Park                    | Winston-Salem, NC  | 600             | 11/15/2015        | 8/1/2019   | 32,661,091           | 39,486,437           | 28.9%        | 2.52x             |
| Salem Ridge                      | Winston-Salem, NC  | 120             | 3/11/2011         | 9/1/2019   | 5,530,280            | 9,150,126            | 29.6%        | 5.50x             |
| Matthews Loft                    | Matthews, NC       | 81              | 11/7/2016         | 3/1/2020   | 10,693,119           | 13,600,000           | 29.1%        | 2.15x             |
| Pepperstone                      | Greensboro, NC     | 108             | 10/1/2015         | 4/1/2020   | 7,921,423            | 9,500,000            | 15.2%        | 1.73x             |
| Abbingdon Place                  | Greensboro, NC     | 360             | 10/30/2015        | 4/14/2020  | 35,023,425           | 51,100,000           | 26.4%        | 2.38x             |
| Woodcreek Farms                  | Elgin, SC          | 176             | 12/21/2017        | 6/1/2020   | 16,370,206           | 18,666,666           | 13.4%        | 1.35x             |
| 630 Fairview                     | Simpsonville, SC   | 120             | 6/24/2015         | 8/28/2020  | 13,073,133           | 15,000,000           | 10.2%        | 1.60x             |
| Kimberly Glen                    | Charlotte, NC      | 260             | 10/20/2014        | 10/1/2020  | 13,891,777           | 32,250,000           | 38.3%        | 4.95x             |
| Arbor Trace                      | Virginia Beach, VA | 148             | 5/4/2016          | 9/10/2021  | 16,088,491           | 28,175,000           | 30.8%        | 3.66x             |
| Boundary Village                 | Cary, NC           | 186             | 4/30/2013         | 9/20/2021  | 18,222,712           | 37,500,000           | 25.3%        | 4.73x             |
| Spencer Crossing                 | Greensboro, NC     | 62              | 7/12/2019         | 11/30/2021 | 4,699,022            | 6,500,000            | 39.6%        | 2.18x             |
| Savannah Place                   | Winston-Salem, NC  | 172             | 10/21/2015        | 3/31/2022  | 14,481,189           | 28,000,000           | 29.5%        | 3.89x             |
| Parkwood                         | Charlotte, NC      | 128             | 7/18/2016         | 3/31/2022  | 10,319,982           | 21,900,000           | 42.6%        | 4.38x             |
| Fieldbrook                       | Mooresville, NC    | 75              | 4/10/2019         | 5/23/2022  | 6,208,278            | 10,000,000           | 29.3%        | 2.06x             |
| Biscayne                         | Charlotte, NC      | 66              | 10/17/2017        | 6/30/2022  | 4,782,415            | 9,450,000            | 35.0%        | 3.49x             |
| West Oak                         | Wake Forest, NC    | 34              | 8/11/2016         | 8/18/2022  | 2,544,818            | 6,250,000            | 42.7%        | 5.05x             |
| Aurora                           | Charlotte, NC      | 420             | 12/20/2013        | 8/31/2022  | 37,405,173           | 86,285,000           | 41.2%        | 7.86x             |
| Aurora Village                   | Charlotte, NC      | 66              | 10/17/2017        | 8/31/2022  | 6,589,193            | 14,815,000           | 45.0%        | 4.91x             |
| Central Pointe                   | Charlotte, NC      | 336             | 9/26/2016         | 8/31/2022  | 30,577,223           | 71,400,000           | 44.3%        | 6.20x             |
| <b>Total or Weighted Average</b> |                    | <b>5,204</b>    | <b>Years Held</b> | <b>4.8</b> | <b>\$434,018,482</b> | <b>\$683,877,135</b> | <b>28.5%</b> | <b>3.21x</b>      |

# REIT Apartment Homes By Region

The REIT holds 6,293 apartments in 39 communities in the Carolinas through a combination of wholly owned communities and equity joint ventures



# Why Invest in the Carolinas?

Ginkgo continues to pursue value-add acquisition opportunities within the Carolina markets. We see ample tailwinds behind workforce housing in the Carolinas with accelerating job growth, rising replacement costs, and record low supply of starter single family homes.

## Charlotte

**#6**

Top U.S. Market to Watch  
*2022 ULI Emerging Trends*

**19% Increase**

in Population (2010-2020)  
*U.S. Census Bureau*

**107 People**

Moving to Charlotte Each Day  
in 2022  
*Oxford Economics*

**7.3% Increase**

in YOY Rent Growth  
*Dec. 2022 Yardi Report*

**35,800**

Projected 5-Year Annual Net  
Migration  
*2022 ULI Emerging Trends*

## Raleigh

**#2**

Top U.S. Market to Watch  
*2022 ULI Emerging Trends*

**25% Increase**

in Population (2010-2020)  
*U.S. Census Bureau*

**84 People**

Moving to Raleigh Each Day in  
2022  
*Oxford Economics*

**7.0% Increase**

in YOY Rent Growth  
*Dec. 2022 Yardi Report*

**35,300**

Projected 5-Year Annual Net  
Migration  
*2022 ULI Emerging Trends*



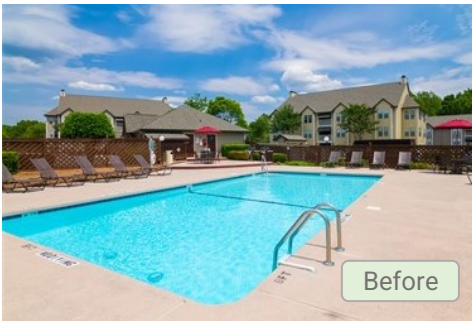
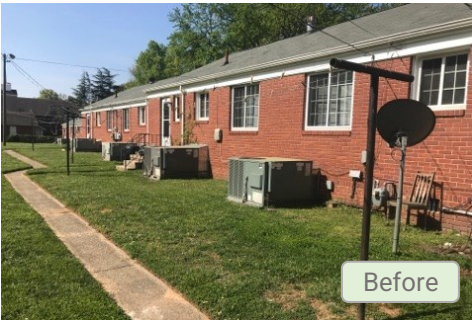
# Ginkgo Capital Investment Strategy – Curb Appeal

- After acquisition, the Ginkgo team focuses primarily on everything in a community that residents can't control (ESG oriented items). These improvements include everything from the curb to the interior walls as well as common area upgrades.
- Ginkgo invests in water control, exterior finishes, correcting deferred maintenance, energy conservation, and common areas including amenities and clubhouses.
- Throughout our 35+ years of operating workforce housing, we've found that if a property has poor curb appeal, prospects often don't get out of the car to tour and turnover remains high.



# Ginkgo Capital Investment Strategy – Extended Space & Amenities

- Ginkgo renovation plans feature adding resident private space and community amenities to decrease turnover and drive revenue.
- Ginkgo converts each of our communities to smoke-free housing (over 100 communities).
- Projects include clubhouse and amenity upgrades such as:
  - Private Extended Patios
  - Dog Parks
  - Pickleball Courts
  - Pool Improvements
  - Outdoor Grilling Areas
  - Package Lockers
  - Nature Trails
  - Hammock Parks



# Ginkgo Capital Investment Strategy – Interior Renovations

- The final stage in Ginkgo’s renovation strategy is interior upgrades.
- Ginkgo renovates homes on turns and tries to maintain stable occupancy, providing consistent cash flows throughout the renovation period.
- The as-units-turn strategy allows Ginkgo to test the market before fully renovating every home.
- Ginkgo's current renovation scope includes:
  - Stainless Steel Appliance Package
  - LED Lighting
  - Quartz Countertops
  - New Kitchen Cabinetry
  - Undermount Sink / Disposal
  - Marble Backsplash
  - LVT Plank Flooring
  - Washer & Dryer Equipment



