

EJF Capital and North Signal Capital Complete \$32 Million Construction Financing on Two Buildings at RiverPort Commerce Park in Opportunity Zone

Synovus Bank will finance the construction of two buildings totaling more than 800,000 SF at RiverPort Commerce Park expected to deliver by late 2021.

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ARLINGTON, Va.--(BUSINESS WIRE)--EJF Capital LLC (“EJF”) and North Signal Capital LLC (“NSC”) have secured \$31.6 million in financing from Synovus Bank for the construction of two buildings at RiverPort Commerce Park (“RiverPort”), less than 10 miles from the Port of Savannah, which includes the largest-area and fastest growing single-operator container terminal in the United States. The buildings are in a “Qualified Opportunity Zone” under the Tax Cuts and Jobs Act of 2017 (“TCJA”) which offers investors tax benefits to invest into Opportunity Zones with the aim of spurring economic growth in lower income areas. The TCJA encourages Opportunity Zone investors to have uninterrupted ownership of qualifying property for at least 10 years.

“The buildings, RiverPort Building 2 and Building 4, collectively over 800,000 square feet, are strategically located and will place our tenants within 10 miles of the fastest growing port in the U.S.,” said EJF Co-CEO Neal Wilson. “The strength of the port, lower cost structure, regional population growth, favorable property tax rates and other economic incentives make the RiverPort project a compelling opportunity.”

EJF and NSC developed and continue to own RiverPort Building 1, a 153,000-square-foot building that is 100 percent leased, and RiverPort 3, a 329,000-square-foot building that is currently 50% leased.

RiverPort has the capacity for approximately 4.5 million square feet of industrial space in 10 buildings in Hardeeville, SC.

Port Advantages

RiverPort has an attractive location offering tenants a convenient route to the Port of Savannah, the western-most port on the East Coast. Tenants enjoy lower operating costs relative to certain other large U.S. port markets, lower costs of living and a business environment with “Right to Work” laws.

Over the past 10-years, the port has prospered with capital investment reaching \$1 billion. The area’s capital investment is expected to more than triple to \$3.2 billion during the next decade. The Port’s monthly cargo volume is four- to five-years ahead of schedule, prompting the Georgia Ports Authority to plan a new container facility that will double the Port of Savannah’s annual capacity for 11 million twenty-foot equivalent units. Savannah is expected to overtake New York as the second largest port by 2026, according to the Authority.

Phenomenal Industrial Market Growth

Savannah is the fastest growing industrial market in the United States at a rate of 34.7 percent in the past two-years and 15.8 percent in 2020 based on net absorption as a percent of market. As of the first quarter of 2021 Savannah’s industrial market was 77 million square feet with a vacancy rate of less than 2 percent to extend its five-year streak of vacancy rates below 4 percent.

“The Savannah industrial leasing market remains one of the strongest in the United States with approximately 5.3 million square feet of industrial leases signed year-to-date,” said Peter Goulding, Founder and Partner of North Signal Capital. “Savannah’s industrial market will continue to benefit from the secular trends of growth in e-commerce, regional population growth and port market share gains.”

Asheel Shah, EJV Senior Managing Director and Head of Real Estate Development, said “Savannah and the port are showing no signs of slowing down. You would be hard pressed to find a more compelling region in the country. We are grateful to work with Synovus Bank, which sees the strength of the Savannah region.”

About EJV Capital

EJV Capital LLC is a global alternative asset management firm headquartered outside of Washington, D.C. As of March 31, 2021, EJV manages approximately \$6.0 billion across a diverse group of alternative asset strategies. The firm was founded in 2005 by Manny Friedman and Neal Wilson. Since inception, EJV has focused on regulatory event-driven investment themes including its strategy to invest in Opportunity Zones.

EJV formed the EJV OpZone Fund I LP and the EJV OpZone Fund II LP (the “Funds”) to take advantage of certain benefits provided by the TCJA. Benefits to U.S. taxable investors include the ability for investors to (1) defer the recognition of recent capital gains for federal income tax purposes until 2026 (treatment of capital gains varies by state), (2) reduce the amount of capital gains recognized in 2026 by 10% (for investors investing by 2021), and (3) eliminate any federal capital gains tax generated from investments in the Funds (for investors in the Funds at least ten years). EJV’s first OpZone fund holds five completed projects including: a multifamily apartment complex in Washington, D.C., Jacksonville, FL, and Vancouver, WA; one hotel development in Oakland, CA and two industrial buildings in a multi-phase industrial park in Hardeeville, SC (near Savannah, GA MSA). In total these projects represent over \$600 million in total estimated project costs with \$219 million of equity being invested by EJV OpZone Fund I LP.

If you would like more information on the Fund, please visit <http://ejfopzone.com> or <http://ejfcap.com>, or contact EJV Investor Relations at investorrelations@ejfcap.com.

About North Signal Capital

Founded in 2015, North Signal Capital is a real estate investment and development firm, focused on developing and acquiring functional, flexible and strategically located distribution and manufacturing facilities in the Southeastern U.S. North Signal employs a precise investment approach, targeting investments that encompass and align with their greater thesis. NSC’s focus allows it to have a wealth of specific information regarding the asset classes and markets they operate in, and to develop a deep network of local experts to assist in completing successful projects. North Signal has developed or is developing approximately 5.6 million square feet of Class A industrial space across 15 buildings in the Charleston, SC and Savannah, GA markets.

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