

Introducing **Rectangle Investment Management**

Dear Friends and Partners,

Comunale Properties is proud to announce our new investment management business, Rectangle Investment Management. Why is it called *Rectangle*? I have always joked that we are in the “rectangle” business since that is the shape of most industrial buildings. As we have grown and continued institutionalizing our platform, the natural progression for our team is to expand our investment management business by raising discretionary private equity funds. In the past, we’ve primarily operated as a family office, investing off our own balance sheet for acquisitions and partnering in institutional joint ventures for our larger development projects. Launching an investment management business allows us to continue investing in the product and markets we know so well, only at a larger scale.

Reflecting on the last twenty years, I think we’ve done a great job staying nimble with our investment approach by transitioning between opportunistic, value-add, development and now core-plus investment profiles all focused on shallow-bay industrial product. It’s exclusively this product and its tenants that we’ve lived and breathed throughout the life of our company.

We are currently in the process of raising capital for our first fund, called Private Capital Core (“PCC”), a long duration income and growth fund focused on the acquisition of sub-institutional infill industrial real estate with mid to long term leases in growth markets throughout the southwest and southeast, like Denver, Phoenix, Dallas, Houston, Austin, Nashville, Atlanta, and Charlotte. We’re doing the same thing we have always done, continuing to focus on doing the right deals in the right places with a relentless focus on execution and a long-term investment horizon.

To get Rectangle up and running, we have made big investments into our internal data analytics platform, Market Tracker, a market benchmarking tool we built from scratch over the last four years that helps drive our data-informed decision-making process. Additionally, we’ve rolled out Ruby, a robust proprietary CRM helping us identify, source, and track opportunities and centralize market knowledge from every vertical in our platform. We’ve made these investments because when we do something, we want to make sure we do it right and continue to provide the outperformance we’ve always delivered.

I am really proud of the vertically integrated platform we have created over the last twenty years with the Comunale Properties Group (Comunale Properties, Rectangle, and Sprink Construction). As one cohesive team, we provide market leading in-house development, acquisition, property management, and construction services to create strong returns and experiences for our investors and tenants. Our internal construction company, Sprink Construction has grown to be a trusted partner to some of the best institutional owners in our space while continuing to deliver outperformance to our existing portfolio and tenants. As we formally add Rectangle’s investment management capabilities to our vertically integrated business, I’m excited for what’s ahead, while continuing to focus on what we’ve always done.

Thank you,
John Comunale

