



## **PREA Real Estate Investment Management ESG Awards 2025 Winners**

This year marks the fifth that PREA has recognized funds for their ability to mitigate risk and create investment opportunities by incorporating environmental and social considerations into their decision-making. The process is a competitive one: each fund submits a description of its ESG program and its results, and an independent panel with expertise in ESG judges the submissions. Our thanks to this year's judges for their efforts in rating each submission: Jamie Behar, Independent Board Member; Michael Brooks, REALPAC; Edward Pierzak, Nareit; Spenser Robinson, Central Michigan University; Dan Winters, GRESB; and Siqi Zheng, Massachusetts Institute of Technology.

This year's awards attracted 36 entries from funds with aggregate net AUM of more than \$50 billion. The 2025 winners, in five categories, follow:

- Open-End Fund ESG Award: **LaSalle Canada Property Fund**
- Closed-End Fund ESG Award: **Hines European Real Estate Partners III**
- ESG Momentum Award: **Cortland Growth and Income, L.P.**
- Social Impact Award: **Avanath Affordable Housing Renaissance Fund**
- Emerging Manager ESG Award: **Arc70 Capital**

More information on each of these very deserving winners is provided on the following pages. Edited versions of each winning submission can be found on the [PREA website](#).

Please join PREA in congratulating this year's winners for their efforts leading the industry in sustainable real estate investing.



## PREA Open-End Fund ESG Award 2025 WINNER | LaSalle Canada Property Fund

LaSalle Canada Property Fund (LCPF) is an open-end fund targeting core properties in major Canadian markets, offering institutional investors diversified, income-oriented exposure to the country's real estate sector.

Since its launch in 2017, the fund has built a mature portfolio spanning office, industrial, mixed-use, retail, and multifamily assets. The fund's portfolio totals nearly 9.4 million square feet across Vancouver, Calgary, Edmonton, Toronto, Ottawa, and Montreal—Canada's key investable real estate markets. In addition to stabilized assets, LCPF strategically invests in select development projects across its target sectors.

In LCPF's view, investment performance may be impacted by physical climate hazards as well as sustainability-related market and regulatory changes. LCPF recognizes the long-term, global environmental trends and aims to future-proof its properties by significantly improving their energy efficiency. In practice, this means the fund is actively pursuing opportunities that minimize resource use at LCPF's investment properties, while enhancing risk-adjusted financial performance in line with its fiduciary duty.

Sustainability considerations are embedded at every stage of LCPF's investment life cycle. LCPF's sustainability integration begins at acquisition, when sustainability and environmental information is considered in deal selection and underwriting. An example of targeted acquisitions is Maison Manuvie, a 27-story AAA office building in Montreal. Its industry-leading sustainability certifications and resource-efficient systems were a factor in LCPF's investment decision. The property maintains near 100% occupancy, with tenant surveys emphasizing satisfaction and the importance of sustainability initiatives.

During ownership, LCPF leverages energy data and technical assessments to understand performance and identify opportunities to improve each asset. As of 2024, LCPF achieved 94% energy data coverage, and conducted technical assessments on 85% of the portfolio by square footage. Activities that have the potential to create value or mitigate

risk are then incorporated into the property business plans, including the operating and capital budgets. This ensures that sustainability initiatives are both asset-specific and impactful.

Over the past few years, LCPF has completed hundreds of sustainability projects across multiple property types, including recycling, upgrading to LED lighting replacing HVAC central systems, and submetering—all designed to improve performance or mitigate risk. As a result, the LCPF portfolio has achieved a 9% reduction in energy consumption and 10% reduction in carbon emissions on a like-for-like basis since 2022.

For example, 275 Slater, a 20-story office building in Ottawa's central business district, integrated efficiency into a multiyear capital plan. More than 50 years old, the building achieved LEED Platinum and ENERGY STAR certifications. Since 2017, energy intensity has decreased by 20% through LED retrofits, HVAC upgrades, and water efficiency improvements. These efforts have enabled the property to maintain top-market rents and occupancy, meeting tenant expectations for sustainability performance. Similarly, the Tricont logistics properties in Whitby were designed to meet LEED Silver certification, offering tenants top-quality industrial space and lower operating expenses.

By integrating sustainability principles with disciplined investment management, LCPF continues to set the standard for high-performing real estate in Canada. This has earned the fund industry-leading recognition, including a first-place ranking among 112 diversified core funds in the Americas in the 2024GRESB Real Estate Assessment.



lasalle.com



# PREA Closed-End Fund ESG Award

## 2025 WINNER | Hines European Real Estate Partners III

Hines, on behalf of Hines European Real Estate Partners III, is honored to be recognized as the winner of the 2025 PREA Closed-End Fund ESG Award.

This represents the fifth year in a row a Hines flagship fund has won a PREA ESG award and highlights the firm’s continued leadership in sustainability.

“We’re thrilled that Hines and Hines European Real Estate Partners III have been recognized by PREA as a leader in incorporating sustainability into our fund,” said Paul White, Fund Manager of Hines European Real Estate Partners III (HEREP III). “We believe one of the biggest differentiators in what Hines offers to our partners is our ability to be forward-looking when it comes to sustainable value creation, and this award is a testament to that.”

Launched in November 2023 after raising more than €1.61 billion in equity commitments—surpassing its €1.5 billion target—HEREP III is a value-added, Europe-focused fund. As a value-added strategy fund, HEREP III is in the fortunate position to invest in buildings that need refurbishment and regeneration to meet the evolving market demands. This mandate provides the opportunity to improve efficiency and create value through sustainable value creation—focused upgrades and initiatives.

Hines and HEREP III believe sustainability enhances asset performance and brings benefit to all our stakeholders—from investors and occupiers to the surrounding communities of our portfolio investments. An integral part of HEREP III’s overarching strategy is to embed ESG initiatives into each stage of its refurbishment and development projects. By threading sustainability through planning, construction, and operation, HEREP III strives to ensure its assets meet the high standards of the fund, market, and future occupiers, while leaving the smallest environmental footprint.

HEREP III has already achieved a 100/100 score in the Global Real Estate Sustainability Benchmark (GRESB) rankings and earned five stars for its sustainability efforts in its first submission. It was recognized as the Global Sector Leader in the European, Non-Listed, Value-Added category, significantly outpacing the GRESB average of 86.

# Hines

[hines.com](https://www.hines.com)





# PREA ESG Momentum Award

2025 WINNER | Cortland Growth and Income, L.P.

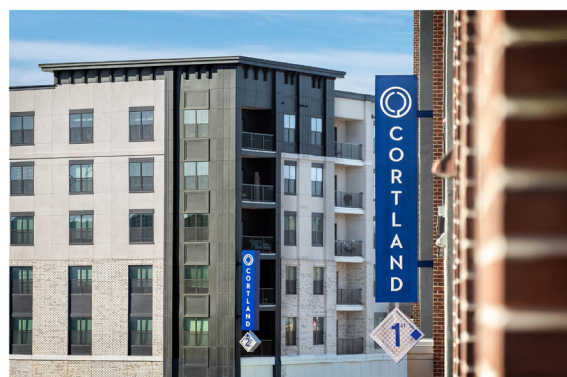
Cortland is honored and grateful to receive PREA’s 2025 ESG Momentum Award\* for Cortland’s Growth and Income fund.

Cortland believes this recognition is a testament to its ongoing commitment to integrating environmental, social, and governance principles into its business to deliver communities, experiences, and solutions beyond expectations. Cortland’s ESG journey is driven by a collective vision that aims to create exceptional communities that residents are proud to call home and that are sustainable, inclusive, and profitable. Cortland is grateful for the driving forces behind our success—our associates, residents, and investors—and looks forward to building on our momentum to create a sustainable and equitable future.

\*The award was issued March 26, 2025, and is based on a survey Cortland completed covering fund information for the calendar year 2024. Cortland pays an annual fee to be a PREA member.



[cortland.com](https://cortland.com)





# PREA Social Impact Award

2025 WINNER

**Avanath Affordable Housing Renaissance Fund**

---

Avanath Capital Management is deeply honored to receive the Social Impact Award from PREA on behalf of its Affordable Housing Renaissance Fund.

---

**T**his prestigious award recognizes Avanath's commitment to providing residents with resources and support to improve their quality of life and unlock new opportunities. It is a testament to the Renaissance Fund's high performance in achieving lasting impact at the fund's affordable and workforce housing communities nationwide.

Avanath's Renaissance Fund provides social impact programming that engenders resident engagement and community participation and contributes to healthy, informed communities. Examples include:

- Sponsoring free after-school programs, including mentorship, STEM enrichment, a summer youth program, and tutoring opportunities for young residents
- Reporting positive rental history payments to the various credit bureaus, helping residents establish and improve their credit scores
- Offering residents free access to WellBeats virtual workouts and classes covering fitness, nutrition, and mindfulness for all ages and ability levels
- Establishing the Activate Healthy Lifestyles program with on-site wellness facilities in Avanath's senior housing communities, where health exams are administered and health education classes are offered

The impact at Avanath communities in just 2024 extended to 25,000 food program participants, 19,000 youth enrichment program participants, and 9,000 transportation program participants.

These are just a few examples of Avanath's comprehensive approach to social impact that have truly made a difference in the lives of residents while helping deliver strong investor returns.

Advancing sustainability at the environmental, social, and governance levels through Avanath's Amplify

ESG program is integral to the company's mission and responsibility to all Avanath's stakeholders.

Avanath's environmental initiatives have also led to robust, measurable outcomes. The firm was the first affordable housing company to have its portfolio certified by the International WELL Building Institute and was awarded the prestigious ENERGY STAR Partner of the Year designation for the third consecutive year in 2024.

Avanath is excited to share a project in which rooftop solar panels will be installed at 20 affordable housing communities in its California portfolio, offsetting common-area greenhouse gas emissions and providing residents credits on their electric bills and reduced utility bills.

Avanath also strives for a strong, positive impact in governance. The management team is focused on creating an inclusive, diverse, and highly trained workforce committed to integrating sustainability at every turn.

The success of Avanath's comprehensive sustainability approach and commitment to continuous improvement can also be seen in the Renaissance Fund's GRESB score, which rose from 49 in 2021 to 85 in 2024, and star rating, which increased from one star to four stars over that same period.

Avanath's team of innovators proudly accepts this award as the company progresses toward its social impact and ESG goals in 2025.

---

avanath+

avanath.com



# PREA Emerging Manager ESG Award

## 2025 WINNER | Arc70 Capital

---

Arc70 Capital is a structured credit investor that takes a long-term approach to investing and working with stakeholders to finance the development of affordable housing.

---

**T**hank you, PREA. Arc70 extends its heartfelt appreciation to PREA and the esteemed panel of judges for acknowledging the important work Arc70 is doing to address the pressing issue of affordable housing in the United States while achieving attractive absolute and risk-adjusted returns for our investors. This recognition is a testament to Arc70 Capital's commitment to sustainable, socially responsible, and impactful real estate investing.

Arc70 has made more than \$4.8 billion of affordable housing-related investments, which have built or preserved more than 44,000 units across the country. The firm was founded on the belief that investing in underserved communities creates transformative opportunities, and Arc70 strives to deliver exceptional investment performance while fostering positive results for stakeholders.

Arc70's mission is to create and preserve high-quality, affordable housing for those who need it most. Access to high-quality, stable, and affordable homes serves as the foundation for strong communities, and Arc70 works to give low-income families, veterans, seniors, individuals with disabilities, and those experiencing homelessness a place to call home.

Arc70's environmental approach is deeply integrated into its investment strategy, ensuring that every project not only meets the financial objectives of investors but also delivers measurable environmental benefits. We continually identify opportunities to improve energy efficiency, reduce water consumption, and lower greenhouse gas emissions across the portfolio. As a result, Arc70 residents benefit from reduced utility costs and a healthier environment. Every \$100 million investment in Arc70 flagship funds creates enough energy savings to power 200 homes per year, lowers water usage by about 10 million gallons a year, and reduces greenhouse gas emissions by about 620

metric tons per year, the equivalent of removing 140 cars from the road.

The social impact of Arc70's work is equally critical. Fostering vibrant communities that offer residents access to supportive services enhances their quality of life. The properties Arc70 finances provide services ranging from financial literacy training and job placement assistance to mental health counseling and mobility support for seniors and individuals with disabilities.

Beyond individual projects, Arc70 is committed to scaling the company's impact. By pioneering innovative financing structures, such as the first-ever M-Series Social Impact Bonds in partnership with Freddie Mac, Arc70 has unlocked additional liquidity in the affordable housing market. This initiative alone enabled the financing of 3,289 affordable housing units across 31 properties, demonstrating how private capital can be leveraged to drive meaningful social change.

This award serves as both a recognition of Arc70's progress and a motivator for the work that lies ahead. The affordable housing crisis is vast, and Arc70 remains steadfast in its commitment to addressing it through sustainable and responsible investment practices. Arc70's success positions the firm to continue scaling its impact on affordable housing and continue to deliver both strong financial returns and meaningful social outcomes. To Arc70's investors, partners, and residents—thank you for your trust and collaboration. Together, we are making a difference, one home at a time.

Thank you again to PREA for this incredible honor.

---

# ARC70

CAPITAL

[arc70.com](https://arc70.com)