



**RBC Global Asset Management announces agreement on \$7 billion dollar real estate investment partnership with BCI and QuadReal**

*A unique opportunity for institutional clients to invest in a portfolio of core Canadian commercial real estate assets*

**TORONTO, March 12, 2019** — RBC Global Asset Management Inc. (RBC GAM) today announced an agreement with British Columbia Investment Management Corporation (BCI) and QuadReal Property Group (QuadReal) to make one of Canada's most diversified commercial real estate portfolios available to institutional investors.

This venture will combine the strength and expertise of three market leaders:

- RBC GAM, Canada's largest fund manager and one of the largest managers of Canadian pension assets<sup>1</sup> through its Canadian institutional business, PH&N Investment Management;
- BCI, a global investment manager and one of Canada's largest pension plan managers; and
- QuadReal, one of Canada's most respected real estate service providers and developers, established by BCI to expand and manage its global real estate portfolio.

This initiative will create a portfolio of over 40 of BCI's existing Canadian real estate assets, with a total value in excess of \$7 billion. Institutional investors may participate by investing in an income-producing Canadian commercial real estate strategy through the RBC Canadian Core Real Estate Fund ("the Fund"). The Fund will be established and managed by RBC GAM and is expected to be open for investment in the third quarter of 2019. The Fund will aim to deliver an attractive income stream and total returns with limited volatility, along with inflation protection and low correlation to other asset classes.

The Fund is expected to become an equal owner with BCI in all of the portfolio's properties through a multi-stage vend-in process. The initiative supports BCI's objective to internationally diversify its real estate portfolio while maintaining a strong domestic core. QuadReal will continue to manage the properties on behalf of BCI and the Fund, ensuring a seamless continuity of management and a disciplined focus on asset level performance.

"Institutional clients are increasingly looking to alternative investment opportunities, and especially private market assets, to help them meet their long-term goals," said Damon Williams, CEO of RBC GAM. "With the needs of clients in mind, we are excited to partner with BCI and QuadReal to open to investors a truly exceptional portfolio of Canadian real estate assets. Moreover, BCI's commitment to the retention of a 50 percent interest in each asset ensures their full alignment with investors, which we believe is fundamental to the long term success of this opportunity."

"Over many years, we have diligently acquired and developed a portfolio of premium Canadian properties on behalf of our pension and accident fund clients," said Gordon J. Fyfe, CEO/CIO of BCI. "BCI's real estate portfolio now exceeds \$27 billion in value and as we diversify into global markets, its Canadian core will always be the foundation of our clients' portfolio. The opportunity

to partner with a like-minded, long-term focused institution such as RBC Global Asset Management is extremely compelling.”

“QuadReal is an active global real estate manager and developer for BCI and its clients, and partnerships are vital to the successful execution of our strategy,” said Dennis Lopez, CEO of QuadReal. “This includes globally diversifying our real estate portfolio. In Canada, we look forward to working side by side with RBC Global Asset Management. Fundamental to our business strategy is providing a market leading service experience for our tenants and residents and a devotion to exemplary advisory management.”

This unique opportunity is subject to the execution of definitive agreements and certain conditions including capital commitments to the strategy.

The RBC Canadian Core Real Estate Fund will initially be open to institutional and other qualified investors. RBC GAM is actively exploring opportunities to bring the Fund and related strategies to market to serve the needs of other client segments including individual accredited investors and advisors.

*This information is not intended to be an offer or solicitation to buy or sell securities. The Fund is intended for qualified investors only and not to any other category of investor. The Fund will be offered by RBC Global Asset Management Inc. RBC GAM Inc. is a member of the RBC GAM group of companies and an indirect wholly owned subsidiary of Royal Bank of Canada.*

*Investments in alternative investment funds are speculative and involve significant risk of loss of all or a substantial amount of your investment. Investors should consult their professional advisors and consultants regarding any tax, accounting, legal or financial considerations before making a decision as to whether the fund mentioned in this material is a suitable investment for them.*

### **About RBC Global Asset Management**

[RBC Global Asset Management](#) (RBC GAM) is the asset management division of Royal Bank of Canada (RBC) and includes institutional money managers BlueBay Asset Management and Phillips, Hager & North Investment Management. RBC GAM is a provider of global investment management services and solutions to institutional, high-net-worth and individual investors through separate accounts, pooled funds, mutual funds, hedge funds, exchange-traded funds and specialty investment strategies. The RBC GAM group of companies manage approximately \$425 billion in assets and have approximately 1,400 employees located across Canada, the United States, Europe and Asia.

### **About BCI**

With \$145.6 billion of managed assets, British Columbia Investment Management Corporation (BCI) is a leading provider of investment management services to British Columbia’s public sector. We generate the investment returns that help our institutional clients build a financially secure future. With our global outlook, we seek investment opportunities that convert savings into productive capital that will meet our clients’ risk/return requirements over time. We offer investment options across a range of asset classes: fixed income; mortgages; public and private equity; real estate; infrastructure; and renewable resources.

**About QuadReal**

Headquartered in Vancouver, Canada, QuadReal Property Group is a global real estate investment, operating and development company.

The company's \$27.4 billion portfolio spans 23 Global Cities across 17 countries. QuadReal was established to manage the real estate program of British Columbia Investment Management Corporation (BCI), one of Canada's largest asset managers with a \$145.6 billion portfolio.

QuadReal aims to deliver prudent growth and strong investment returns, and to create and sustain environments that bring value to the people and communities it serves. Now and for generations to come.

QuadReal: Excellence lives here.

[www.quadreal.com](http://www.quadreal.com)

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<sup>1</sup> As of 9/30/2018, RBC Global Asset Management Inc. is Canada's largest fund company by assets under management (IFIC) and the third largest manager of Canadian pension assets (Benefits Canada).