

Nuveen Closes on \$1.3 Billion in C-PACE Vehicles over 12 Months

Meeting Insurers' Appetite for Clean Energy Assets and Financing Energy Efficiency and Sustainability Projects for Commercial Real Estate

NEW YORK, June 5, 2024 – Nuveen, the investment manager of TIAA, and Nuveen Green Capital (NGC), a Nuveen affiliate and a leading provider of sustainable commercial real estate financing solutions, announced the closing of \$775 million in new capital commitments to the second vintage of its CPACE Lending Fund series and related accounts.

Following the August 2023 [close](#) of the Nuveen CPACE Lending Fund I, the strategy continues to deliver on the unique requirements of insurance investors to efficiently aggregate the financing of commercial property assessed clean energy (C-PACE¹) projects, providing a capital efficient opportunity to access investment grade clean energy assets that enhance energy efficiency, climate resiliency and water conservation in new and existing properties.

Seeking Participation in Low-Carbon Energy Transition

In Nuveen's recent [survey of major global institutional investors](#), more than eight in 10 (84%) insurers said they are now considering or planning to consider the low-carbon energy transition in their investment decisions. More than half (53%) of insurers say that, as asset owners, they can significantly influence the energy transition's progress with their capital allocations. When it comes to factors influencing their energy transition investments, 46% of insurers cite enhancing investment returns and 42% indicate portfolio risk management as a top consideration.

“Insurers continue to search for return enhancing investments within their fixed income portfolios, and C-PACE typically offers higher returns than comparable asset classes such as similarly rated commercial mortgage-backed securities or corporate bonds,” said Joseph Pursley, Head of Insurance, Americas at Nuveen. “C-PACE has proven to be a good fit for insurers because it provides strong capital-efficient income, duration and diversification versus other fixed income asset classes, alongside the opportunity to invest for a positive impact without sacrificing capital adjusted or risk-adjusted return.”

C-PACE Assets a Valued Allocation for Insurers

Nuveen Green Capital is a dominant C-PACE player, responsible for nearly 30 percent of historic market originations, which totaled \$7.3 billion through 2023. Founded in 2015 by Jessica Bailey, CEO, and Alexandra Cooley, CIO, the NGC platform has helped build the original PACE policy framework into an investible asset class in collaboration with state and local governments, including being the first to securitize the asset class.

“C-PACE has scaled into a sought-after component of insurers' allocations, delivering notable performance, diversity and impact benefits to its investors,” said Ms. Cooley. “NGC's national,

¹ C-PACE is a U.S. state policy-enabled financing mechanism that allows commercial building owners and developers to access capital for improvements for energy efficiency and sustainability in both new and existing properties.

vertically integrated footprint and specialized underwriting model have enabled us to construct a diversified portfolio targeting compelling returns, with no losses to date.”

“At the same time, by facilitating the implementation of renewable energy systems and energy-efficient technologies, C-PACE programs are significantly contributing to reductions in carbon emissions and progress toward climate change mitigation goals,” she said.

NGC [estimates](#) that its projects have saved 2.64 million megawatt hours of energy and reduced the equivalent of 1.9 million metric tons of carbon, with the carbon reduction impact of 174 square miles of forest over 20 years -- while also saving \$1.62 billion in energy costs for property owners and creating nearly 26,000 energy jobs.

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About Nuveen

Nuveen, the investment manager of TIAA, offers a comprehensive range of outcome-focused investment solutions designed to secure the long-term financial goals of institutional and individual investors. Nuveen has \$1.2 trillion in assets under management as of 31 Mar 2024 and operations in 27 countries. Its investment specialists offer deep expertise across a comprehensive range of traditional and alternative investments through a wide array of vehicles and customized strategies. For more information, please visit www.nuveen.com.

Important information on risk

Past performance is no guarantee of future results. All investments carry a certain degree of risk, including the possible loss of principal, and there is no assurance that an investment will provide positive performance over any period of time. Certain products and services may not be available to all entities or persons. There is no guarantee that investment objectives will be achieved.

C-PACE assets are subject to various risks, including but not limited to: risks of insufficient cash flow of the subject property due to impaired operations or value; risks of a decline in the real estate market or financial conditions of a major tenant; risks of delinquencies and defaults; failure of the subject properties to complete agreed upon construction, repairs or improvements or achieve projected energy savings; limited operating history of certain subject properties; risk of assessments underlying certain C-PACE assets failing to comply with applicable state or local laws; risks of disputes with subject property owners and mortgage lenders; environmental contamination risks affecting the subject property; lack of industry-wide prepayment information available for commercial C-PACE assessments; and changes in laws and policies impacting C-PACE programs.

Responsible investing incorporates Environmental Social Governance (ESG) factors that may affect exposure to issuers, sectors, industries, limiting the type and number of investment opportunities available, which could result in excluding investments that perform well.

This fund is only available to accredited investors.