

GTIS Partners Launches Second Opportunity Zone Fund

GTIS Partners, a real estate investment firm focused on residential and industrial investments, has reported the launch its second qualified opportunity zone fund, GTIS Qualified Opportunity Zone Fund II, on July 1, 2022. The fund is structured as a real estate investment trust and has a minimum investment of \$100,000.

GTIS Qualified Opportunity Zone Fund II is open to individual investors through financial advisors or directly through an electronic subscription service in partnership with +SUBSCRIBE, an order management system for alternative product transactions.

The company said that the latest fund is a continuation of the strategy employed by its predecessor, GTIS Qualified Opportunity Zone Fund I, [which raised \\$630 million](#) and placed among the top five largest qualified opportunity zone funds raised to date.

GTIS Qualified Opportunity Zone Fund I has committed to 15 investments mostly focused on large regional Sunbelt markets across multifamily, single-family rental, and industrial property types.

“We are excited to continue our investment strategy utilizing the tremendous tax benefits of opportunity zones,” said Tom Shapiro, president and chief investment Officer of GTIS Partners. “We believe that residential and industrial fundamentals remain attractive especially in an inflationary environment, and look forward to capitalizing on the opportunities we have in our pipeline.”

Opportunity zones were created under the Tax Cuts and Jobs Act of 2017 to spur long-term private investments in lower income

areas by providing potentially significant tax benefits to investors. According to Novogradac, qualified opportunity zone funds tracked by the firm [have raised](#) a cumulative \$28.4 billion of equity as of March 31st.

The most significant benefit is the eventual tax forgiveness of capital gains if the investment is held for a minimum of 10 years, provided the investment adheres to the requirements of the program.

“QOZ tax benefits can provide a very meaningful enhancement to investor returns, and in today’s inflationary environment real estate is one of the best portfolio diversifiers,” noted Peter Ciganik, head of capital markets at GTIS Partners. “But we also believe in the spirit of the QOZ program and look forward to supporting increased economic development in underserved communities, and managing our projects in an environmentally responsible way.”

Since the announcement of the QOZ program, GTIS has completed three development projects located in opportunity zones at a total project cost of approximately \$460 million. The projects comprise 566 residential units and more than 630,000 square feet of commercial space leased to technology and distribution companies.

Five additional projects are currently at advanced stages of construction, with plans for more than 700 multifamily units, 200 single-family rental homes, 430 student housing units and over 130,000 square feet of commercial space.

GTIS Partners manages \$4.7 billion in gross assets and is active across a range of real estate sectors including single-family and multifamily housing, office, industrial/logistics and hospitality, as well as renewable energy infrastructure and opportunity zone investments.

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