



# JOHN C. GOFF REAL ESTATE INVESTMENT FUND

## **GREG HALLMAN, PH.D.**

DISTINGUISHED SENIOR LECTURER

DIRECTOR, JOHN C. GOFF REAL ESTATE INVESTMENT FUND

MCCOMBS SCHOOL OF BUSINESS

**The John C. Goff Real Estate Investment Fund** at McCombs is a student-run real estate fund managed by MBA and undergraduate real estate students at McCombs. The fund contains both our real estate private equity investment fund and our public equity REIT investment fund and continues to be the only student-run real estate investment fund that invests in both private and public real estate and includes both MBA portfolio managers and undergraduate investment analysts.

### **Public Equity REIT Fund:**

**AUM = \$1,490,005 @ April 2, 2025**

Our student investors work on the public equity REIT fund in the spring semester. The goal of our public equity REIT investment fund is to generate alpha against the Bloomberg REIT index. After a six-week lecture and training program, student teams consisting of MBA managers and undergraduate analysts choose overweight and underweight positions in highly correlated REIT pairs. Student selected positions are held for a minimum of two years. This year's REIT fund class has 18 MBA managers and 22 undergraduate analysts. In the current semester, student groups will analyze and present on 2 multifamily pairs (number in parentheses is the correlation of the stock returns measured over the prior 36 months) = Equity Residential v Avalon Bay (95%), Essex v UDR (84%), 3 office pairs = Piedmont v Cousins (85%), SL Green v Vornado (92%), Kilroy v Douglas Emmett (85%), 1 industrial pair = Eastgroup v Rexford (90%), 1 self-storage pair = Public Storage v Extra Space (88%), 1 data center pair = Equinix v Digital Realty (79%), 1 retail pair = Kimco v Regency (92%), and 1 single family rental pair = Invitation Homes v American Homes 4 Rent (91%).

Our student REIT fund at McCombs began in the fall of 2007 and made its initial investment of \$421,104 in February 2008. With a current market value of \$1,490,005, the student REIT fund has generated a gain of \$1,068,901 and has posted a positive average annualized alpha of 78bp per year against the Bloomberg REIT index with a tracking error of roughly 4%.

**Private Equity Fund (dollar values on April 17, 2025):**  
**Committed Capital = \$6,605,000**  
**Capital Called = \$6,068,534**

The same group of MBA and undergraduate student investors that work on the public equity REIT fund in the spring semester work on the private equity fund in the fall semester. Each fall semester our student investors analyze four real estate private equity deals and make formal investment presentations and recommendations to our PE fund investment committee in November at the end of the semester.

As of April 17, 2025, our student PE fund has committed \$6,605,000 across sixteen separate investments, of which \$6,068,534 has been called. The student real estate private equity investment fund was originally capitalized with \$10 million donated dollars, so the fund has a little over \$3 million left available to invest, plus any proceeds it receives from maturing investments. The student private equity fund is currently invested in six multifamily development deals, two multifamily value-add deals, one mixed use hotel/apartment/office development, one hotel resort property value-add, one new hotel development, four industrial deals, including two development deals and two light-industrial value-add deals, and one grocery-anchor retail value-add fund.

