

CASE STUDY

How helping PEG Companies launch an Opportunity Zone Fund started a long-term relationship

Vistra supported the launch of an Opportunity Zone Fund, ensuring compliance with complex regulation and recommending a cost-efficient yet optimal technology solution. This has led to Vistra now administering four of PEG's funds.

The challenge

Since its inception in 2003, PEG Companies had launched standalone entities with its joint venture partners that it manages in-house. In 2018, it raised its first closed-ended PERE Fund with external investors, which was outsourced to a local fund administrator.

In 2019, PEG was focused on raising an Opportunity Zone Fund. As a new product, PEG recognised the need to review existing investment frameworks and identify a capable fund administrator with the ability to effectively manage the fund.

Cost and relevant experience were a key drivers for PEG when choosing an administrator. Critically, Opportunity Zone Funds come with a distinct set of regulations for both managers and investors, something that PEG had limited experience and knowledge of.

Vistra's solution

PEG contacted Vistra regarding outsourcing fund administration for the Opportunity Zone Fund, outlining their preferred approach. From the outset, Vistra was able to assist in establishing the fund, handling necessary investor onboarding, and ensuring regulatory compliance within cost parameters.

Where Vistra added real value was in making a compelling case for the use of the Investran platform, which would not only deliver on all digital requirements, but would do so in a more cost-effective manner.

Vistra's overall approach from day one was to be flexible, cost conscious and provide recommendations on best practices as well as on technical accounting matters. As a result, we have assisted PEG with further fund launches, which have attracted institutional investors, and now provide fund administration services for four active funds, including full scope accounting services, investor services and year-end services.



Founded in 2003, PEG is a vertically integrated real estate investment firm focused on opportunistic and value-add opportunities across the US. Known for its creative and well-executed real estate developments, PEG has grown to be a full-service real estate platform with in-house investment, development, construction, asset management, commercial property management, and hospitality management teams. PEG's US\$2.4B AUM includes multifamily residential, single-family rental communities, student housing, office, mixed-use, and hospitality across 29 states and two Canadian provinces.

Industry
Real Estate

Location
United States



Benefits

- PEG had peace of mind that specific regulations related to Opportunity Zone funds were met
- Specific cost parameters were also met, especially around technology, ensuring the original fund launch was completed to budget
- Vistra continues to deliver and provide recommendations for best practices that will enable PEG to be efficient across all funds, even those not administered by Vistra
- Our team has a deep understanding of PEG's funds and their needs, so we are truly an extension of their business

“Having managed the vast majority of our own funds over the years, turning to an external provider was a large decision and we had very specific requirements for the fund and expectations of the the third party. Vistra delivered on all counts and their knowledge has benefitted PEG beyond simply the funds they administer.”

John Hart
Senior Contoller
PEG Companies

4

funds now administered

US\$441 million

assets under management for four funds

199

investors

Working together to seize opportunity

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At Vistra, we believe your business and your people can make a difference in the world. That's why our work is focused on helping our clients act with confidence and speed to seize opportunity wherever it arises. As a global corporate service provider and fund administrator with more than 5,000 professionals in over 45 jurisdictions, we empower legal entities globally to work smarter, grow faster, act responsibly, protect capital and scale across borders - by doing what we do best: reducing risk and enhancing efficiency. Discover how we can help you and your business seize opportunity today by exploring our services at vistra.com.