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Southern Properties Capital, Wholly Owned Subsidiary of Transcontinental Realty Investors, Achieves a Series C Issuance on the Israeli Bond Market

DALLAS, TX (July 31, 2019) Southern Properties Capital (SPC) a subsidiary of Transcontinental Realty Investors Inc., (NYSE: TCI) and Abode Properties, both Dallas based real estate investment companies, announces an expanded bond offering in the Israeli market. The company raised an additional \$78 million bond series C on the Tel Aviv Stock Exchange. As previously reported, TCI was the first Dallas based firm to raise capital on the Israeli bond market with its Series A and B bonds. Prior to the Southern Properties Capital issuance, the market was previously dominated by Manhattan based companies, but has once again shown increased demand for additional bond issuers throughout the United States.

The company's Series A and B bonds raised over 610 million shekels, approximately \$174 million. "This series C offering was for an additional 275 million shekels, over \$78 million, said Daniel J. Moos, CEO and President. "We are always evaluating various alternatives to grow our asset base while continuing to enhance value for our investors. This expanded offering creates additional financial strength to our already thriving organization. With our existing and newly engaged projects and our continuously burgeoning multifamily asset base, we are continuing to prove ourselves as a formidable player in the U.S. real estate market."

Daniel J. Moos continued, "It is very gratifying that the offering was significantly over the \$75 million subscription we were allowed to raise for this series. In addition, for various reasons the interest rate paid on this series C was significantly less than what was paid on our previous series. This series also reflects a AAA- S&P rating in comparison to the BBB+ rating associated with the prior series A and B."

The deal was led by Yuval Barak and Eden Ozeri from Radhan - a leading financial consultancy firm out of Israel who continue to advise the company in the Israeli market. According to Eden Ozeri, "In a challenging time for US issuers, the tremendous success of the series C issuance is a vote of confidence in Southern Properties Capital. It is an unprecedented transaction in this period and proof that solid companies with proven attention to the local market continue to succeed."

About Southern Properties Capital

Southern Properties Capital operates primarily in Texas and specializes in Class A multifamily assets in emerging markets throughout the Southern United States, corresponding with both sustainable and viable economic growth activity. The issuing entity is backed by over 3,000 multi-family units (out of a total of approximately 8,000 owned and operated by TCI), as well as over 1.5 million square feet office buildings in Texas. The company has already used funds to acquire additional multi-family assets within its strategic footprint, and expects significant expansion by continuing to utilize the Israeli bond platform.

About Transcontinental Realty Investors

Transcontinental Realty Investors (www.transconrealty-invest.com) maintains a strong emphasis on creating greater shareholder value through acquisition, financing, operation, developing, and sale of real estate across every geographic region in the United States. A New York Stock Exchange company, Transcontinental is traded under the symbol "TCI". Transcontinental produces revenue through the professional management of apartments, office buildings, warehouses, and retail centers that are "undervalued" or "underperforming" at the time of acquisition. Value is added under Transcontinental ownership, and the properties are repositioned into higher classifications through physical improvements and improved management. Transcontinental also develops new properties, such as luxury apartment homes principally on land it owns or acquires.

About Abode Properties

Abode Properties is a subsidiary of Transcontinental Realty Investors Inc., (NYSE: TCI), a Dallas-based real estate investment company. Abode's investment and strategic focus is to acquire, develop, and operate a portfolio of desirable multifamily residential properties, while capitalizing on our ability to obtain long term and static debt structures. The portfolio stands to benefit from historically established, proven, and successful operational practices, seasoned on-site management, and an experienced leadership team with forward thinking capabilities in order to realize maximum cash flows and consistent returns, while maintaining unequalled resident and customer service. We are disciplined and prudent allocators of capital and we will continue growing our geographically diverse portfolio from the Southwest to the Southeast. These markets are geographically located in areas of the country that correspond with both sustainable and viable economic growth activity.



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SPC, TCI, Abode Properties, and Radhan complete successful Series C Bond in Israel