

[Funds](#)[Sectors](#)[Forms of](#)[Investment](#)[Capital](#)[instruments](#)[People](#)[Regional focus](#)[Regulation](#)[Sustainability](#)[RSS](#) | [What is RSS?](#)

## Principal raises \$214.4m for green fund

19 October 2009 17:56:



UNITED STATES - Principal Real Estate Investors has raised \$214.4m (€144.6m) in equity commitments for its Green Property Fund.

Two of the bigger commitments to the fund came from two public pension funds in the United States, including the Texas Teachers Retirement System which made a \$150m

commitment directly into the fund along with a \$100m side allocation to be used by Principal as co-investment on select opportunities.

The Los Angeles Fire and Police Pensions fund has also agreed to invest \$40m.

Principal's original target set in 2007 was to raise \$250m for the Green Property Fund, so assets could then be used to buy property located in US urban in-fill locations where there are already high barriers to entry, which for the most part are the top 12 '24-hour city' markets along the coasts, such as Boston, New York and Seattle, along with Denver and Chicago.

New and existing assets of all classes are being sought to be turned into green properties, but the first two developments will be residential apartment projects, according to Vance Voss, managing director of portfolio management at Principal.

The first asset is a 120-unit complex in downtown Denver, known as Solera and the first units will see work begin next year to become Denver's first LEED-certified flats.

Principal is looking to establish its green credentials by using sustainable materials and high energy efficiency units such as solar power. The location of the property has also been selected to encourage tenants to use public transport or walk to key locations.

The second asset in the commingled fund is a project on the outskirts of downtown San Jose called Morrison Park. However, this project is still at planning stage.

Author: [Jon Peterson](#)

[« Back](#)

[Print this article](#)

Email to a friend:

Comments:

### Further Reading

Companies with core skills and knowledge of the themes covered in this article:



To learn more, click on the company to view their IPE REIM profile.

### Welcome

You are logged in as:  
Sabina Espinet-Todd  
[Log out](#)

### Article Search

Search:

Through:

Date range: