



## PRESS RELEASE

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## REAL ESTATE FIRM CIM GROUP DISPLACING AFRICAN IMMIGRANT TENANTS PUBLIC PENSION FUNDS INVESTORS CALLED UPON TO SUPPORT

### Alexandria, VA -

With hundreds of families faced with the threat of evictions, African tenants of the Southern Towers housing complex in Alexandria, Virginia sent a letter yesterday asking for the support of the public pension funds invested in CIM Group, including CALPERS, San Francisco Employee Retirement System, Arizona State Retirement System and New York Common Retirement Fund.

As new applications to Virginia's [rent relief program closes this week on May 15](#), Southern Towers residents, organized with African Communities Together, are concerned they will be displaced by CIM Group. Over the course of the pandemic and economic crisis, CIM obtained over \$441,000 in legal judgments against families unable to pay their rent and has brought hundreds of eviction proceedings against Southern Towers residents. Tenants are also outraged by CIM's failure to address pervasive maintenance issues including pests, mold, leaks, uncleanliness, broken locks and poor heating. Despite repeated attempts by the tenant group to meet with CIM to cooperatively discuss the evictions and long-term affordability issues at Southern Towers, the company has declared that it will only meet "one-on-one" with each individual resident.

"I have lived in Southern Towers for 14 years. I met my husband and gave birth and raised my kids in Southern Towers. I was laid off during the pandemic, and later started working part-time. Since I was not making enough to pay rent, I applied for rental assistance in November 2021. I was approved for the months of January, February and March of 2022. RRP (the rental assistance program) confirmed to me that they have sent the payment to CIM. But CIM said they never received the money. So I sent them the confirmation letter from RRP. But they still sent me 14 day pay or quit notice, and on top of that, charged me for late fees. It is not fair." - *Ikram (Immigrant tenant leader from Morocco)*

When thousands of these tenants like Ikram were laid off due to COVID, CIM pursued aggressive eviction practices including imposing late payment fees and initiating court proceedings. A statewide eviction moratorium and the rent relief program have helped to keep tenants in their homes. However, these eviction protections will end on June 30 - opening the floodgates to eviction proceedings that could put hundreds of families at risk of homelessness. With CIM seeking to profit from the new Amazon headquarters six miles away, tenants are already facing unsustainable rent increases.

CIM Group acquired the 2,261 unit Southern Towers apartment complex in August 2020 for \$506 million, one of the largest multi-family transactions that year. Notably, the real estate firm has secured over \$4 billion in commitments from large pension funds serving public employees, teachers, and firefighters. With many Southern Towers residents also working in public service, the group is hopeful these investors will call upon

CIM to stop displacing residents and meet to discuss a solution that ensures families can have secure, healthy homes.

Southern Towers has been a home to a majority of African immigrant tenants for decades. CIM has a track record of displacing low-income immigrant communities as their business strategy. Last week, Bloomberg reported on CIM Group's displacement of residents in Los Angeles' West Adams neighborhood ([Bloomberg, April 27, 2022, "An Entire Neighborhood Is Being Flipped by a Los Angeles Developer"](#)).

CIM is reportedly seeking to more than double its money in just six years with an annual thirteen percent return on the Southern Towers' investment.<sup>1</sup> Given this ambitious investment goal and reportedly plans to substantially renovate the property, residents are deeply concerned that they will

African Communities Together's April 2021 report, [Invested in Evictions: CIM Group, Southern Towers, and the Crisis of Publicly Financed Displacement](#) provides additional background.

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**African Communities Together** is an organization of African immigrants fighting for civil rights, opportunity, and a better life for African families in the U.S. and worldwide.

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<sup>1</sup> [Korean Teachers' Credit Union partakes \\$700mn real estate investment project in U.S.](#) Mael Business News Korea, September 2, 2020.