



Contact: HMC Corporate Communications
Telephone: 205.987.5500
E-mail: tmaddox@harbert.net

December 21, 2021

Harbert Management Corporation Announces Strategic Transaction with South Bay Partners

Birmingham, AL, December 21, 2021 – Harbert Management Corporation (“HMC”) announces a strategic transaction by which HMC will become the majority owner and manager of South Bay Partners, LLC (“South Bay”). Based in Dallas, Texas, South Bay is a development platform with a 25 year track record of building quality senior housing communities. Founder and Chief Executive Officer, Craig W. Spaulding, launched South Bay in 1994. Craig will move to an advisory role and the previous President, Patrick McGonigle, will step into the CEO role and lead South Bay’s expert team of development professionals. HMC also expects to raise capital for South Bay’s development projects through a series of separately managed accounts and comingled funds.

South Bay has developed over 10,000 units for seniors comprising over \$1 billion in cost. South Bay stays on the leading edge of new building design and partners with operating companies that provide safe, quality and state-of-the-art care. South Bay has earned its reputation and thrived in business due to the ability to identify markets and sites within those markets through in-depth internal analysis, and by bringing together the numerous parties necessary to usher a new senior living experience to fruition. The team has extensive real estate experience, including accounting, architecture, construction, finance, acquisitions, marketing, leasing, sales and asset management.

HMC President and COO, Travis Pritchett commented, “We are pleased to add South Bay to the HMC platform. Their team brings a wealth of talent and experience developing new senior housing communities in markets around the country. The team has a great pipeline of deals under control and the market opportunity should continue to grow. This business will be very complimentary to our existing seniors housing investment platform, as it will give us control of pure development investment opportunities, but with greater flexibility to offer targeted and concentrated development risk exposure to our clients outside of our diversified, comingled seniors housing fund.”

Craig shares Travis’ enthusiasm, stating, “We chose to partner with HMC because of the deep expertise and experience they bring to the table. As we take South Bay to the next level, we will be able to expand our reach and scope with the resources and support HMC provides.”

South Bay President, Patrick McGonigle added, “We utilize a team approach, ensuring our clients and partners that all company resources are committed to the success of each project. We are excited by the opportunity to partner with HMC, and energized about the future.”

About Harbert Management Corporation

Harbert Management Corporation, an alternative asset management firm with approximately \$8.0 billion in Regulatory Assets Under Management as of November 30, 2021 is a privately owned firm formed in 1993 to sponsor alternative asset investment funds. HMC serves foundations and endowments, fund of funds, pension funds, financial institutions, insurance companies, family offices, and high net worth individuals across multiple asset classes. Investment strategies include European and U.S. real estate, seniors housing, U.S. growth capital, credit solutions, infrastructure, and absolute return funds. For additional information about HMC visit, www.harbert.net.

###