

ColonyCapital

Colony Capital Acquires \$1.16 Billion National Industrial Real Estate Portfolio

March 5, 2019

Transaction includes 48 last-mile logistics buildings and 6 bulk industrial buildings totaling nearly 12 million square feet in 10 U.S. markets

DALLAS--(BUSINESS WIRE)--Mar. 5, 2019-- Affiliates of Colony Capital, Inc. (NYSE: CLNY) announced today the acquisition of a national portfolio of 54 light and bulk industrial buildings for \$1.16 billion. Colony Capital, Inc. ("Colony Capital" or the "Company") is a diversified global real estate investment firm with \$43 billion of assets under management. This value-add portfolio is located across 10 U.S. markets, totals approximately 11.9 million square feet, and is 71% leased. Forty-eight of the buildings are last-mile light industrial and were acquired through Colony's existing light industrial platform. The remaining six buildings are bulk industrial and were acquired through a newly formed joint venture in which Colony Capital has a 51% interest and a third-party institutional investor has a 49% interest.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20190305005672/en/>



Lew Friedland, Managing Director at Colony Capital and head of Colony Industrial (Photo: Business Wire)

"Our industrial platform has been scaling rapidly over the past four years and this transaction is a milestone that expands our portfolio by 25% in square footage," said Lew Friedland, Managing Director at Colony Capital and head of Colony Industrial. "These high quality, well-located light industrial assets will give us a stronger presence in both our existing markets and new target markets across the country, especially on the West Coast."

Mr. Friedland added, "This acquisition represents a strategic expansion by Colony's industrial platform into the bulk industrial space which complements our strong presence in last-mile, warehouse logistics. Our growing national network of industrial warehouse options gives us new opportunities to serve customers and create synergies from strong existing relationships with tenants, owners, sellers and brokers."

Light Industrial Portfolio Highlights

- Light industrial assets are the majority of the acquisition with approximately 7.7 million square feet in 48 buildings in 9 markets (of which, 4 buildings to close within the next 6 months).
- The properties are located across the U.S. in Northern and Southern California, Washington state, Oregon, Nevada, Illinois and Pennsylvania.
- The portfolio includes markets where Colony Industrial has an established presence and new target markets where the Company will be investing for the first time.
- The attractively located infill buildings are near major highways and average

160,000 square feet in size.

- The portfolio is 73% leased and most tenants are national or international corporations.

Bulk Portfolio Highlights

- The bulk assets of the acquisition represent approximately 4.2 million square feet, with an average of 700,000 square feet per building, in 6 buildings in 5 markets.
- The properties are located in Oregon, Northern California, Nevada, Pennsylvania and Kentucky, well-situated for local and regional distribution near major highways and Interstates.
- The modern properties have an average year built of 2015 and are 67% leased to blue chip, international companies.

The seller was represented by CBRE National Partners. In 2018 CBRE National Partners completed 248 transactions (253 MSF), for 154 clients, to 127 different buyers, resulting in \$19B+ in value.

About Colony Industrial

Headquartered in Dallas, TX, Colony Industrial is the industrial platform of Colony Capital, Inc. As of December 31, 2018, the platform owned and operated 48.5 million square feet of warehouse buildings in 20 major markets across the United States, with a gross asset value of more than \$3.7 billion. Its diversified tenant base includes major national B2B, B2C, wholesale and consumer businesses. For more information, visit www.clny.com/industrial.

About Colony Capital, Inc.

Colony Capital, Inc. (NYSE: CLNY) is a leading global investment management firm with assets under management of \$43 billion. The Company manages capital on behalf of its stockholders, as well as institutional and retail investors in private funds, non-traded and traded real estate investment trusts and registered investment companies. The Company has significant holdings in: (a) the healthcare, industrial and hospitality property sectors;

(b) Colony Credit Real Estate, Inc. (NYSE: CLNC) and NorthStar Realty Europe Corp. (NYSE: NRE), which are both externally managed by subsidiaries of the Company; and (c) various other equity and debt investments. The Company is headquartered in Los Angeles with key offices in New York, Paris and London, and has over 400 employees across 17 locations in ten countries. For additional information regarding the Company and its management and business, please refer to www.clny.com.

Cautionary Statement Regarding Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond our control, and may cause actual results to differ significantly from those expressed in any forward-looking statement. Factors that might cause such a difference include, without limitation, the ability to continue to rapidly scale the industrial platform, the performance of the acquired light industrial assets, including whether the anticipated benefits of such acquisition will be realized, the performance of the industrial portfolio overall and the diversification of the industrial portfolio. Additional information about these and other factors can be found in Colony Capital’s reports filed from time to time with the Securities and Exchange Commission.

Colony Capital cautions investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this press release. Colony Capital is under no duty to update any of these forward-looking statements after the date of this press release, nor to conform prior statements to actual results or revised expectations, and Colony Capital does not intend to do so.

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