

PRESS RELEASE

M7-Starwood Capital Group Joint Venture Acquires 17 Dutch and German Light Industrial Properties for €74.5M

London, 23rd March, 2015 – MStar Europe, the joint venture set up by M7 Real Estate and Starwood Capital Group's Starwood Global Opportunity Fund X (SOF X) to invest in high-yielding, multi-let assets in Continental Europe, announced today that it has agreed to acquire or has completed the purchase of 17 properties in Germany and the Netherlands. The assets were acquired from multiple owners and have a total combined purchase price of €74.5 million.

MStar Europe purchased nine light industrial properties in Germany in the vicinity of Cologne, Düsseldorf, Frankfurt and Stuttgart, with two more transactions pending completion, while the six Dutch assets acquired are located close to Amsterdam, The Hague, Rotterdam and Utrecht. The assets comprise a total of approximately 181,000 square metres of lettable space (7.7% of which is vacant) occupied by 79 tenants. M7 Real Estate advised on the purchases and will manage the assets.

"These acquisitions help take MStar Europe nearly two-thirds of the way towards its investment target less than one year after it was established," said **Adam Shah, Senior Vice President at Starwood Capital Group**. "These assets will be part of a portfolio that already generates healthy cash flows for our investors, and which offer the opportunity to further enhance returns through management initiatives steered by our experienced team and that of our joint venture partner."

"We are actively looking for fresh investment opportunities in the light industrial, multi-let property space in the main Western European markets so that MStar Europe will be fully invested later this year," said **David Ebbrell, Head of Transactions at M7 Real Estate**. "We have almost €40 million of transactions under offer already, which we will be looking to complete in the first quarter."

Established in April 2014 with a target of assembling a portfolio in excess of €500 million, MStar Europe is the second joint venture between M7 Real Estate and controlled affiliates of Starwood Capital Group. It has purchased 36 assets directly for €203 million and successfully bought out the listed Tamar European Industrial Fund with an offer valuing the assets at around €130 million. The joint venture's overall portfolio consists of 72 assets in Belgium, France, Germany, the Netherlands and Sweden, with approximately 765,000 square metres of space.

Ends

Note to editors:

M7 Real Estate

M7 Real Estate is a pan-European investor and asset manager specialised in multi-let real estate, with a team of 78 staff operating a platform in the UK, Denmark, the Netherlands, France, Germany and Poland. Established in 2009 and wholly owned by its senior managers, M7 already manages a portfolio of more than circa 330 assets comprising 2.4 million sq m with a capital value in excess of €1 billion. Its joint venture partners include Oaktree Capital Management, Starwood Capital Group, H.I.G Capital and M&G Investments. Additional information about M7 can be found at www.m7re.co.uk

Starwood Capital Group

Starwood Capital Group is a private investment firm with a core focus on global real estate. Headquartered in Greenwich, CT, the Firm maintains 12 offices in six countries around the world. Starwood Capital Group has raised more than \$31 billion of equity capital since its inception in 1991, and currently manages over \$42 billion in assets. The Firm has invested in virtually every class of real estate on a global basis, opportunistically shifting geographies and changing positions in the capital stack as risk-reward dynamics evolve. For more than two decades, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises around real estate portfolios in both the private and public markets. Additional information can be found at starwoodcapital.com.

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