**SITUS AND HATFIELD PHILIPS INTERNATIONAL ANNOUNCE STRATEGIC TRANSACTION**

*Acquisition Makes Situs the Leading Multinational, Independent Servicer in Europe*

**NEW YORK AND LONDON – November 2nd, 2016 –** Situs, the premier global provider of strategic business solutions for the finance and commercial real estate industries, today announced the completion of its acquisition of Hatfield Philips International (“HPI”), the leading non-performing loan (“NPL”) and commercial mortgage backed securities (“CMBS”) special servicer in Europe.

By acquiring HPI, Situs is now the market leading loan servicing and NPL loan management firm in Europe with over €145 billion ($160 billion) in combined assets under management globally. Situs purchased HPI from Starwood Property Trust, Inc. (NYSE: STWD), an affiliate of global private investment firm Starwood Capital Group. As part of the transaction, Starwood Property Trust will retain a non-controlling minority interest in Situs.

“The European market is a dynamic and exciting place for debt servicers currently as banks continue to deleverage their balance sheets amidst regulatory pressure, and new market entrants rush to deploy equity and debt products into Europe,” said Steve Powel, CEO of Situs. “The acquisition of HPI is another milestone in our ongoing European expansion, and expands our professional capabilities in the performing and non-performing debt space now across sixteen (16) European jurisdictions.”

Jeff Dishner, Senior Managing Director and Global Head of Real Estate Acquisitions at Starwood Capital Group, stated, “We are pleased with the progress of HPI since we acquired it in 2013, and look forward to the platform’s growth under Situs’ leadership.”

“Joining Situs allows us to be a part of something special,” said Blair Lewis, CEO of HPI. “HPI brings a premier platform of seasoned real estate underwriters and workout specialists to Situs’ market leading offerings. It is exciting to think about our new opportunities, as a combined platform.”

Over the past decade Situs has continually expanded its professional service solutions to meet the demands of European and U.S. financial institutions in the commercial real estate space. In Europe specifically, Situs in 2009 acquired Merrill Lynch and Ocwen’s NPL special servicing business HQ in Germany, with €1.45 billion ($1.6 billion) in NPLs and asset managed across Europe. In 2011 Situs created a joint venture with HSH Nord Bank to manage over €3.2 billion ($3.52 billion) of commercial real estate loans in the Nordics, and in 2012 purchased Deutsche Bank’s Pan-European loan servicing and asset management business. In conjunction with these acquisitions, Situs’ management team has emerged as the preeminent market leading third-party loan servicer.

**ABOUT SITUS**

Situs is the preeminent advisor to clients around the globe trusted to evaluate, optimize and manage critical assets and securities, from commercial and residential real estate, to small and medium enterprise and consumer lending. Since 1985, Situs has set the standard in financial services for service, quality and execution. Based in Houston, TX, Situs has offices across the US, Europe and Asia and has been involved in more than $1 Trillion of real estate debt and equity deals. A rated servicer with Moody’s, Fitch and Morningstar, Situs has more than $140 billion of assets under management and is ranked a top 20 servicer in multiple categories by the Mortgage Bankers Association. In 2016, Situs received a second consecutive “Advisor of the Year” award by Real Estate Finance & Investment magazine, and the “Capital Advisor Firm of the Year” award by Property Investor Europe.

**ABOUT STARWOOD PROPERTY TRUST, INC.**

Starwood Property Trust (NYSE: STWD), an affiliate of global private investment firm Starwood Capital Group, is the largest commercial mortgage real estate investment trust in the United States. The Company’s core business focuses on originating, acquiring, financing and managing commercial mortgage loans and other commercial real estate debt and equity investments. Through its subsidiary LNR Property, LLC, Starwood Property Trust also operates as the largest commercial mortgage special servicer in the United States. With total capital deployed since inception of over $29 billion, Starwood Property Trust continues to solidify its position as one of the premier real estate finance companies in the country.

**ABOUT HATFIELD PHILIPS INTERNATIONAL LTD.**

Hatfield Philips International (“HPI”), together with LNR Europe, is a leading NPL and debt advisory firm with best-in-class loan servicing capabilities. From NPL underwriting to co-investing to helping lenders execute on debt strategies, HPI is uniquely positioned to deliver multiple layers of value to a wide range of debt market participants. HPI accomplishes this by leveraging a highly seasoned team of real estate finance, workout, debt servicing and client service specialists. Founded in 1997 on the principles of trust, integrity and providing the highest levels of customer service, HPI has the experience and capabilities to partner with clients to achieve their business and investment objectives. HPI is a subsidiary of LNR Property, a United States-based real estate investment, finance, management and development firm, which was acquired by Starwood Property Trust in April 2013. For more information, please visit us at http://www.hatfieldphilips.com/.

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