

Starwood Real Estate Income Trust Acquires First Industrial Portfolio



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Starwood Real Estate Income Trust, Inc. →

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MIAMI, Dec. 11, 2019 /PRNewswire/ -- Starwood Real Estate Income Trust, Inc. ("SREIT"), a non-traded REIT managed by Starwood Capital Group, announced today the acquisition of the Midwest Industrial Portfolio, a 33-asset portfolio comprised of 4.1 million square feet of primarily Class A properties in Chicago (43%), Indianapolis, (33%), Columbus (16%) and Milwaukee (8%). The Midwest Industrial Portfolio is currently 98% leased to 50 tenants and has maintained an average occupancy of just under 95% over the last 10 years. Chicago, Indianapolis and Columbus are all top-20 industrial markets in the United States and each has the ability for tenants to access over 50% of the U.S. population in under 24 hours.

The Midwest Industrial Portfolio benefits from being in markets with strong transportation networks and low costs of doing business, and is largely comprised of light industrial buildings of less than 250,000 square feet. Given the average vintage of the assets in the portfolio (2005), the properties benefit from having modern designs that appeal to a broad swath of industrial tenants across all markets – high clear heights, minimal office finish, modern sprinkler systems and lighting packages, and ample outside storage space.

"Industrial is a great asset class and operating fundamentals point to continued strength in the coming years," said Garret Overlock, Vice President of Acquisitions at Starwood Capital. "We love this portfolio for SREIT for a number of reasons. These are major industrial markets that service not only local but regional and national distribution needs, the tenant quality and diversity is very high, and the light industrial nature of the portfolio mitigates our exposure to future supply, much of which is concentrated in the bulk industrial space (properties greater than 250,000 square feet). Further, light industrial continues to witness the lions' share of tenant demand in the industrial sector. It's another strong acquisition for SREIT."

"We are also pleased to establish an ongoing partnership with Becknell Industrial in connection with this transaction. Becknell is a market-leading developer, owner and manager of industrial properties across the US and brings exceptional expertise and experience to the portfolio."

As of November 30, 2019, the SREIT portfolio has an estimated total asset value of \$1.98 billion across 70 properties.

About Starwood Real Estate Income Trust

Starwood Real Estate Income Trust, Inc. is a perpetual-life, monthly NAV REIT that directly invests in high quality, stabilized, income-producing real estate across the United States and Europe. SREIT is managed by Starwood REIT Advisors L.L.C., a subsidiary of Starwood Capital Group.

For more information, please visit our website at www.starwoodnav.reit.

About Starwood Capital Group

Starwood Capital Group is a private investment firm with a core focus on global real estate, energy infrastructure and oil & gas. The Firm and its affiliates maintain 15 offices in six countries around the world, and currently have approximately 4,000 employees. Since its inception in 1991, Starwood Capital Group has raised over \$45 billion of equity capital, and currently has in excess of \$60 billion of assets under management. The Firm has invested in virtually every category of real estate on a global basis, opportunistically shifting asset classes, geographies and positions in the capital stack as it perceives risk/reward dynamics to be evolving. Over the past 28 years, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises in both the private and public markets. Additional information can be found at starwoodcapital.com.

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