



PRESS RELEASE

STARWOOD CAPITAL GROUP TO FORM EUROPEAN REAL ESTATE FINANCE PLATFORM WITH CUSHMAN & WAKEFIELD INVESTORS

LONDON, UK – November 7, 2012 – Starwood Capital Group (SCG), the global real estate investment firm with \$21 billion of assets under management, announces the formation of Starwood European Finance Company (StarFin), a European real estate finance platform, to take advantage of financing opportunities arising from property owners needing to refinance existing loans that are maturing, and ongoing demand for new real estate debt capital which is no longer widely available from the banking system. This would be Starwood Capital's third major debt platform and follows its two debt platforms in the United States which have lent over \$10 billion.

Cushman & Wakefield, the global commercial property consultant through its investment management arm Cushman & Wakefield Investors Limited (CWI), is to be a partner and investor in StarFin. CWI will help source financing opportunities and provide market intelligence and research.

Peter Denton, Head of European Debt at Starwood said, *"Starwood was established in 1991 in the depths of that real estate downturn. In good times and bad we've built a track record in real estate financing via large debt platforms. We're looking forward to expanding our presence in the European financing market."*

"Coming together with Cushman & Wakefield Investors gives us a full house of experience in Europe at a time when a debt maturity bubble is looming, banks are severely constrained from lending and new property activities need funding."

Carlo Barel di Sant'Albano, CEO of Cushman & Wakefield EMEA added, *"The debt funding gap is undeniable and offers striking opportunities. This partnership means we'll combine our market intelligence and extensive European platform with Starwood Capital's expertise and experience in the real estate debt market."*

StarFin will be led by Starwood Capital's European management team, including Jeff Dishner, Senior Managing Director, and Peter Denton, Head of European Debt, who together have over 40 years of real estate experience including setting up and managing several successful debt businesses.

StarFin will focus on the UK and Northern Europe real estate markets and will follow a broad loan origination (lending direct to the property owner) and acquisition (acquiring part of a loan made by another lender) model, investing across a combination of senior, whole, subordinated, bridge and development loans with a maximum portfolio loan-to-value of 75%. Typical loan sizes sought will be from €40m for whole loans and from €20m for subordinated loans, with capacity to undertake transactions of greater scale; in all property sectors including commercial, industrial, office, retail and residential.

Starwood Property Trust, Inc (NYSE: STWD), advised by Starwood Capital Group, is the largest U.S. commercial property-focused mortgage real estate investment trust (REIT) (NYSE: STWD); and has already been successfully pursuing lending opportunities in Europe. Starwood Property Trust will now co-invest alongside StarFin leveraging the resources of both entities.

This is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration.

Notes to editors:

Starwood Capital Group is a private, U.S.-based investment firm with a core focus on global real estate. Since the group's inception in 1991, the firm has raised nearly \$16 billion of equity capital and, through its various funds, has invested \$13 billion representing nearly \$35 billion in assets. Starwood Capital Group currently has over \$21 billion of assets under management. Starwood Capital Group maintains offices in Greenwich, Atlanta, San Francisco, Washington, D.C., Los Angeles and Chicago, and affiliated offices in London, Luxembourg, Paris, Mumbai and Sao Paulo. Starwood Capital Group has invested in nearly every class of real estate on a global basis, including office, retail, residential, senior housing, golf, hotels, resorts and industrial assets. Starwood Capital Group and its affiliates have successfully executed an investment strategy that includes building enterprises around core real estate portfolios in both the private and public markets. See <http://www.starwoodcapital.com/>.

Cushman & Wakefield Investors Limited (CWI) is the independent investment management arm of Cushman & Wakefield (C&W). CWI has three offices in London, Paris and Frankfurt and currently has €1.2 billion of assets under management. It provides complete property investment management services to a range of institutional clients including Corporate, State and Local Authority Pension Funds, Charities, Trusts, Friendly societies and Family Offices. C&W is the world's largest privately-owned real estate services group, active since 1917 with global coverage through 234 offices in 60 countries and more than 14,000 employees.

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¹ 'LTV' The ratio of the loan compared to the value of the asset (e.g. asset value £10m, loan value £7.5m = LTV of 75%)