



For Immediate Release

STARWOOD CAPITAL GROUP AND VENCOM AGREE TO SELL RETAIL ASSETS IN SWEDEN

GREENWICH, CT and STOCKHOLM, SWEDEN – July 19th, 2016 – Starwood Capital Group, a leading global private investment firm, and Vencom, through separately controlled affiliates, announced today an agreement to sell six retail parks and shopping gallerias in Sweden to Trophi Fastighets AB, a company managed by Redito and owned by the Swedish pension fund AP3. The assets being sold are majority owned by Starwood Capital Group, while Vencom is a minority investor and operating partner of the properties.

The transaction, which is expected to close in September 2016, is valued at approximately SEK 3.1 billion. The assets in the sale include:

- Arninge, Täby
- Bäckebo, Göteborg
- Boländerna, Uppsala
- Jägersro, Malmö
- Tunapark, Eskilstuna
- Weibullsholm, Landskrona

Starwood Capital Group, via a controlled affiliate of Starwood Distressed Opportunity Fund IX (SOF IX), in November 2013 purchased a portfolio of seven retail assets in prime locations throughout Sweden from Kooperativa Förbundet (KF), owner of the country's second-largest supermarket chain, Coop. The transaction was Starwood's first investment in Sweden. SOF IX and Vencom continue to own one asset from the portfolio—Bromma Blocks in Stockholm.

"We are pleased that these retail assets have benefited from the steady growth of the Swedish economy and strong retail sales, as projected in our investment thesis," said Richard Vaaje, Vice President at Starwood Capital Group.

"During the years under our ownership, we have worked to actively develop these assets to create value," added Johan A. Gustafsson, Chairman of Vencom. "In particular, we focused on enhancing Arninge, where the municipality of Täby is currently processing a building permit of 18,000 square meters, as well as Bäckebo, where we acquired a nearby asset of 30,000 square meters of land, which has been partially sold to the listed grocery store company ICA. We also created and initiated a plan for the redevelopment and repositioning of Jägersro Centre."

Cushman & Wakefield, Mannheimer Swartling and PwC acted as advisors on the transaction.

About 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 and its affiliates maintain 10 offices in four countries around the world, and currently has more than 2,200 employees. Starwood Capital Group has raised \$34 billion of equity capital since its inception in 1991, and currently manages \$51 billion in assets. 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 25 years, 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.

About Vencom Property Partners

Vencom Property Partners is an asset manager in projects and investments where Vencom is active. Vencom focuses on the real estate market in the Nordic countries, with a special emphasis on retail properties. Vencom's core business is strategic asset management and development in partnership with international real estate investors. Furthermore, Vencom has extensive knowledge and experience from the retail industry, which has been valuable in retail related investments and projects. Investments managed by Vencom presently consist of properties and development projects with a market value of approx. Euro 1.0 bn. For further information, see www.vencom.se.

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