DLA PIPER 14TH GLOBAL REAL ESTATE SUMMIT
SEPTEMBER 26, 2017

STATE OF THE MARKET SURVEY

DLA PIPER

The good times keep rolling – but for how long?

Equity prices have reached historic highs, the US unemployment rate fell to its lowest point in more than a decade and there is hope that Congress will lower corporate tax rates. American business leaders would appear to have ample cause to be optimistic.

But among US commercial real estate executives, optimism has continued to level off after its high point in 2013 and 2014, according to DLA Piper's 2017 *State of the Market Survey*.

Sixty percent of respondents to this year's survey said they were bullish about the CRE market, compared with 62 percent in 2016. That small drop could stem in part from recent political turmoil, a primary source of uncertainty among respondents. But likely more prominent is an awareness among industry veterans that most strong economic cycles haven't lasted more than seven years – and that the Great Recession officially ended in 2009.

"We're at the deep end of the cycle," said Stephen Quazzo, chief executive officer of Pearlmark Real Estate. "I'm not really sure what's going to end it – but something will, and it will cause a downward adjustment in real estate values."

Quazzo said he remained bullish about the short-term CRE outlook, given continued low interest rates and other factors. He also expressed the hope, shared by some respondents, that the end of this cycle wouldn't be as dramatic as the last downturn. Given the historic proportions of the Great Recession, that optimism appears warranted.

So far, 2017 has been a mixed bag when it comes to investment activity. Commercial real estate volume rebounded to US$105 billion in the second quarter of 2017 after a weak start to the year, according to Real Capital Analytics. But the most recent numbers are 4.5 percent lower than the second quarter of 2016 and well below the peaks seen earlier in the decade.

Even as optimism about the broader market has leveled off, this year's survey was the fourth in a row in which a strong majority of respondents were more bullish than bearish. Their confidence is driven mostly by the abundance of debt and equity capital available for investment and the strength of the US economy. On the second point, respondents repeatedly described the United States as a safe haven, particularly for foreign investors looking for strong returns – even amid domestic political turmoil.

"We are in tumultuous times," said Jim Fetgatter, chief executive at the Association of Foreign Equity Investors in Real Estate (AFIRE). "But the fundamentals of the US market are good – and the politics? That comes and goes."

The Real Estate Roundtable's Third Quarter Sentiment Index showed similar results – slightly lower confidence but fairly consistent with the confidence level since the beginning of 2016. The causes for concern were similar as well, with questions about just how long the bull market can last and uncertainty about Washington, buttressed by a belief in the market's strong fundamentals.

Foreign investment holding strong

Approximately a third of respondents to DLA Piper's survey predicted foreign investors would be the most active investors in US commercial real estate in the next year, edging out private equity and pension funds. Respondents indicated foreign direct investment in US properties will remain strong through the rest of 2017 – with Chinese investors leading the way. So it's not surprising that more than half of respondents said the worsening Chinese economy would be the most significant factor to impact the US domestic market this year.

"The one headwind may be political as China has signaled it will be reining in its FDI," one respondent said. "But the US still offers the best risk-adjusted return on [foreign] investment."

Can retail rebound?

Amid retail's well-publicized struggles, respondents understand that a substantial metamorphosis is needed – but most believe it is achievable. Only 3 percent of respondents said traditional brick and mortar retail is "here to stay" and just 7 percent said retail was the most attractive sector for investment in the next 12 months. But only 8 percent of respondents said retail was "doomed" – and 68 percent said smart retail companies would find the right balance between brick and mortar and e-commerce through omni-channel retailing. Another 21 percent said retail would be successful in its repositioning through new mixed-use projects and redevelopment and repositioning of existing shopping centers.

"I'm very negative on retail real estate based on the simple fact that we're over-retailed as a country," Quazzo said. "But that doesn't mean there won't be multi-channel retailers who do well – and High Street retail will continue to thrive in high-traffic areas."

Highlights of DLA Piper's 2017 Survey:

- Sixty percent of respondents said they were bullish about commercial real estate over the next 12 months. That's slightly down from 62 percent in 2016, and significantly down from 89 percent in 2014 and 85 percent in 2013.

- Among the respondents, real estate investors were bullish, but real estate debt providers and third-party brokerage, property and asset managers were all strongly bearish. Real estate developers were essentially split between bullish and bearish outlooks.

- Optimistic respondents cited abundant debt and equity capital available for investment as the top reason for confidence (45 percent), ahead of the strength of the US economy (35 percent). Domestic political and geopolitical uncertainty was the top choice (53 percent) cited among pessimistic respondents, followed by rising interest rates (15 percent).

- Ninety-two percent of respondents believe interest rates will go up in the next 12 months, up from 72 percent last year. Respondents are likely attuned to signals from the Federal Reserve and growing accustomed to regular rate increases.

- More than half of respondents (53 percent) saw continued slowing of the Chinese economy as the biggest factor that could impact global commercial real estate. Among other negative factors, rising tensions with North Korea (30 percent) and Brexit developments (24 percent) were the top choices. But a third of respondents said increased GDP growth could impact commercial real estate in a positive way.

- More than half of respondents named the healthcare (56 percent) and industrial (53 percent) sectors as the most attractive categories for commercial property investment, followed by data centers at 31 percent.

- For the second consecutive year, respondents said they saw greater opportunity for CRE investment in non-gateway cities than in gateway cities. When asked to rank non-gateway cities, respondents expected Austin and Seattle to perform best (both 45 percent), with Denver and Nashville also seen as top investment destinations.

- About a third of respondents (32 percent) expect foreign investors to be the most active investors in the US, followed by private equity (28 percent), pension funds (26 percent) and REITs (9 percent). Global instability was seen as the top driver of foreign investment into the US by 53 percent of respondents, followed by geographic diversification (36 percent).

- Investors from China are seen as the most likely to invest in US commercial real estate (57 percent) followed by Gulf nations (e.g., the United Arab Emirates, Qatar and Kuwait). South Korea was third at 32 percent.

- Frankfurt, London (despite Brexit and associated negative media coverage), Berlin and Paris will be the most attractive international cities for investment over the next 12 months, respondents said. Answers to a similar question in last year's survey were comparable – with the United Kingdom and Germany topping the list.

VERBATIMS

Why will foreign direct investment remain strong?

- A combination of the stability of the US market and attractive yields, even if they have decreased.
- Investors will remain compelled by market transparency, rule of law and abundant liquidity while "shrugging off" concerns and uncertainty around the current administration.
- Despite new Chinese restrictions, Asian companies are pushing hard to deploy capital in the US.
- Foreign markets have been strengthening and as a result they have more currency for transactions abroad. Everyone is chasing yield and the US should provide a good option for that.
- Global political uncertainty will lead to a desire to have stable assets in locations deemed stable. Even with our current political climate, the US remains the most stable country in the world.
- Strength of US economy, yield in non-gateway markets stronger than risk-adjusted global yields, yield in gateway markets will soften and encourage investment activity from domestic and international investors.
- The US still presents buyers with the most liquid, transparent and governed-by-the-rule-of-law CRE market in the world.

What will happen with brick-and-mortar retail?

- Companies that aren't able to offer the customer an enticing shopping experience will continue to suffer. Those companies that can find ways to drive traffic into their stores will be able to survive.
- People will always want to see/touch a new product. Different brands fit differently. The number of stores will decrease significantly, but some brick and mortar will still be required.
- There will always be a need for destination retail. People want a reason to leave their homes.
- Retail is a "survival of the fittest" industry. The smart ones evolve, and the others die out.
- Online and physical store retailing will eventually find an equilibrium, and there will be no differentiation between the two types of retailers.
- There will be less retail, but brick and mortar will always have a place. Businesses that are vulnerable to the internet will need to adapt. The weak will die. A lot of real estate will be repositioned. This will require a lot of capital.
- Retail needs a brick and mortar presence, but there is far more suburban retail than is necessary today. Urban retail still likely has room to grow in specific markets.

VERBATIMS

Is the current CRE cycle in the ninth inning or at the beginning of the second game of a doubleheader?

- We are in extra innings. Most of the capital on the sidelines is equity, and the pool of uncalled capital continues to grow. The rate of new fundraising is down significantly and we have seen the emergence of "restructuring" funds in anticipation of illiquidity.
- Seventh inning. People forget that the first four years of this robust period occurred during the worst recession of our generation. The amount of equity available for deals is still incredible and people don't make money sitting and watching.
- I think we are in the second game of a doubleheader. The economy does not seem to recognize it is exhausted.
- I think we are in extra innings of a lengthy and slow pitchers' duel, and the game will end soon unless our political leaders in Washington stop sniping at each other and actually do something.
- We see few signs of a looming recession and only a few areas where there is potential for supply to drastically outstrip demand, so we think we are late in the cycle, but that the cycle will extend in its current state for at least the next 18 months.
- Now that we have seen a significant amount of development over the past couple of years, with much of it coming online over the next couple of years, we may finally see some supply-driven issues in commercial real estate markets and the end of the very long recovery cycle.
- The recovery started from such a low place, and started so slowly, that it is likely to last longer than has historically been the case. The recent strength in Europe is a good sign that we've got a ways to go. That said, I would not say that we are at the beginning of a doubleheader. Let's say we are heading into extra innings and settling in for a long game.

Is there a disconnect between REITs and public equity markets?

- REITs are overpriced, yields are way too low. Financing ebbs and flows – the surge after 2009 refinanced better properties early.
- Alternatives in the public equity markets have looked better due to strong earnings growth attracting capital that was hiding in REITs and fixed income.
- There are concerns about new supply and thus future rental/income growth for real estate assets. Outlook for corporate profits is more robust, which is what is driving public equity markets.
- Weak fundamentals (leasing demand, occupancy, etc.) and a shift in the type of real estate that users and investors favor.
- Some investors seem to think that commercial real estate is overvalued in the US.
- The equity markets have had kind of a rising tide lifting all asset classes, and real estate doesn't benefit as much from this as tech or rapid-growth companies. When things start trading again based on fundamentals, the REITS will be a bit more in favor.
- US equity markets are living on borrowed time while institutional real estate investors are more cautious.

1. How would you describe your 12-month outlook for the US Commercial Real Estate market?

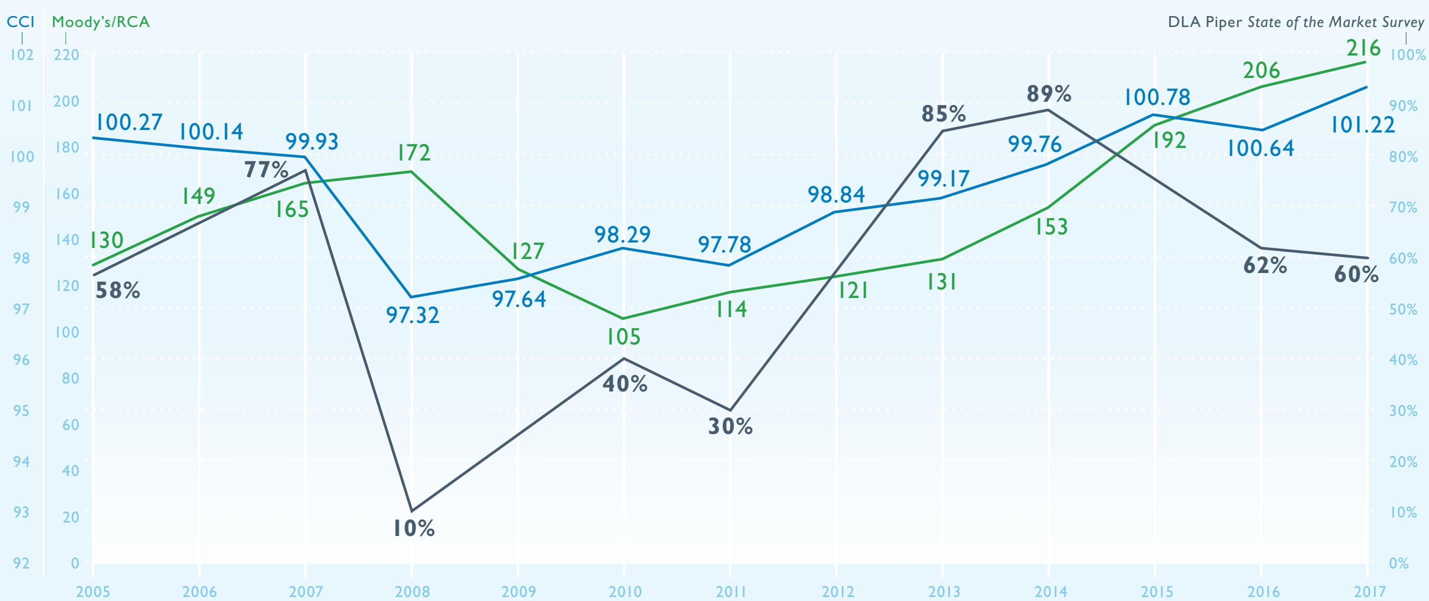
BULLISH

60%

BEARISH

40%

HISTORICAL SNAPSHOT: Percentage of respondents who are bullish on the CRE market



- Confidence as measured in the DLA Piper survey fell for the second straight year, but only by 2 percent – following a more severe drop in 2016. Additionally, 2017 marks the fourth consecutive survey in which most respondents said they were bullish.
- Meanwhile, the US Consumer Confidence Index and Moody's/RCA Commercial Property Price Index continue to reflect optimism and strength, as do public equity markets. The Dow Jones Industrial Average pushed well above 20,000 as respondents were taking the 2017 survey, about 3,000 points higher than at the release of the previous report in May 2016.
- Among the respondents, real estate investors were bullish, but real estate debt providers and third-party brokerage, property and asset managers were all strongly bearish. Real estate developers were essentially split on the question.
- The findings are generally in line with The Real Estate Roundtable's Sentiment Index for the Third Quarter of 2017, which said, "While most responders feel market fundamentals are strong, they are experiencing hesitation around decision-making on the part of their tenants/ clients. This hesitation is due to uncertainty about market conditions and trepidation about the new administration in Washington, DC."

2. What is the primary reason for your confidence?

Abundance of debt and equity capital available for investment	**45%**
Strength of the US economy	**35%**
Low interest rate environment	**12%**
Foreign investment in the US market	**6%**
Other	**2%**

- While the survey's answers were phrased slightly differently this year, the abundance of debt and equity available for investment moved into the top spot.
- The level of confidence derived from the strength of the US economy dropped slightly, from 40 percent in 2016 to 35 percent. It was announced that the US economy grew at 2.6 percent in the second quarter of 2017 (the most recent results when the survey was conducted), down slightly from 2.8 percent in the same quarter of 2016. But the second quarter 2017 results were later updated to 3 percent.[1]
- Interestingly, only 6 percent of respondents chose foreign investment as the reason for their optimism – even though 70 percent agreed or strongly agreed that foreign direct investment will be strong in the US in the final months of 2017 in response to Question 11. Some respondents could have counted foreign investors among those contributing to the abundance of available debt and equity capital available when answering the question.
- Third-party brokers and real estate investors were confident because of the abundance of debt and equity capital, but real estate developers and debt providers were more focused on the strength of the US economy.

1. "U.S. Economy Grew 3% in 2nd Quarter, Fastest Pace 2 in Years," *The New York Times*, August 30, 2017

3. What is the primary reason for your lack of confidence?

Domestic political and geopolitical uncertainty	**52%**
Rising interest rates	**15%**
Effect of technology trends on commercial real estate sector (sharing economy, e-commerce, Internet of Things, autonomous vehicles, etc.)	**12%**
Uncertainty around regulatory changes	**2%**
Other	**19%**

- With a new set of answers to the question this year, reflecting current events, domestic political and geopolitical uncertainty topped the list of reasons for pessimism in 2017. In 2016, the top choice was continued volatility in domestic and international stock markets.
- One respondent captured a perspective that encapsulates several of the possible answers: "Geopolitical forces have not overly influenced the market...YET! Interest rates will rise. Tax reform and infrastructure focus is moving at a glacial pace."
- Many respondents cited rising interest rates as a reason for pessimism. Federal Reserve Chair Janet Yellen said in July that the US economy was healthy enough for another interest rate increase in 2017."[2]

2. "Fed's Yellen says rate and portfolio plans on track, cautions on inflation," Reuters, July 12, 2017

4. Where do you think interest rates are headed in the next 12 months?

Up significantly	**7%**
Up slightly	**85%**
No change	**7%**
Down	**1%**

- Respondents broadly agreed that interest rates would increase in the next 12 months, with 7 percent saying they would increase significantly. In 2016, 72 percent of respondents predicted an increase.
- The 2016 survey was taken a few months after the Federal Reserve raised rates in December 2015, the first time in nearly a decade. Rates have since gone up three more times, and many Fed officials expect another increase this year as the economy strengthens.[3]

3. "Fed Actions Show Confidence but Are not at Trump Speed," *The New York Times*, June 14, 2017

5. Which of the following disruptors will have the greatest impact on the CRE market over the next 12 months?

Continued growth in online retailing and its impact on brick-and-mortar retailers	**42%**
The evolution of the sharing economy and the ability of experienced real estate companies to develop and invest in properties that accommodate tenants' needs and preferences	**35%**
Infrastructure investment and the rise of public/private funding	**9%**
Evolution of smart buildings	**7%**
Online commercial real estate leasing marketplaces that provide access to more information, empowering tenants and property owners to make informed decisions independent of brokers	**7%**

- Respondents are clearly keeping a close eye on the effects of online retailing, rating it the most disruptive force in the CRE market over the next 12 months. One trend this year has been the increase in pop-up retail stores – placements now offered by landlords for whom "a short-term tenant is better than no tenant at all."[4]
- The sharing economy ranked as the second-biggest potential disruptor. One example: anticipating the need for less parking in the era of ride sharing, a modern parking garage in Miami designed by a Swiss architectural firm features offices, storefronts, apartments and a bank branch.[5]

4. "Pop Up Goes the Retail Scene as Store Vacancies Rise," *The New York Times*, May 30, 2017

5. "4 Big Trends That Will Shape CRE: A Futurist's Guide," *Commercial Property Executive*, August 1, 2017

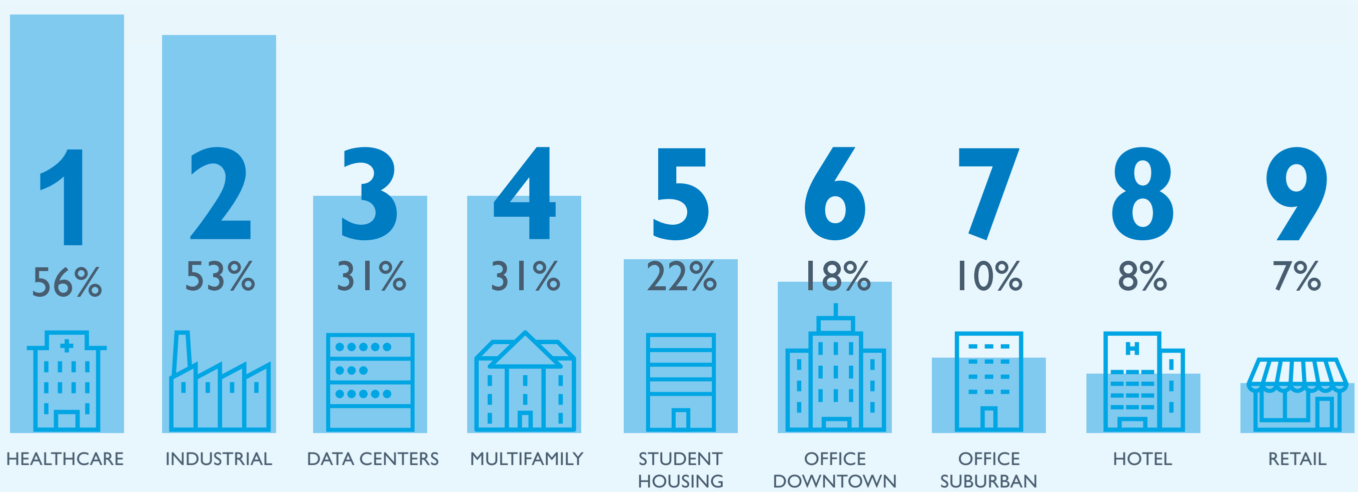
6. Which of the following best represents your outlook on the brick-and-mortar retail sector?

Smart retail companies will find a strong balance between a brick-and-mortar presence and e-commerce through omni-channel retailing	**68%**
Traditional brick-and-mortar retailing is here to stay	**3%**
It will successfully reposition itself through mixed use/redevelopment and repositioning of existing shopping centers	**21%**
It is doomed	**8%**

- Despite the attention they're paying to online retailing, respondents had a fairly positive outlook for brick-and-mortar retailers. Nearly nine out of 10 said smart companies can reposition themselves, given the right moves and strategy. This despite the 300-plus retailers that filed for bankruptcy in 2017 and store closings projected to hit 8,640.[6]
- Respondents said people continue to value the physical experience of shopping – and that smart retailers would find ways to reach customers, including innovative approaches in existing shopping centers. As one respondent said, "Strong retailers will have to evolve with their omni-channel strategy to cater to the needs of consumers who now use digital, mobile and social media to consume when, where and how they choose…the physical retail space will have to mesh client experience, showcasing and logistics to win going forward."

6. "Brick-and-mortar shops are surviving the retail apocalypse," *New York Post*, August 13, 2017

7. Which industry sector presents the most attractive opportunity for real estate investors in the next 12 months?



- Respondents don't see retail as a comparatively attractive investment opportunity. The healthcare and industrial sectors scored highest, consistent with the past few surveys. Multifamily dropped significantly in 2017, with some experts labelling the space as overbuilt. Construction starts in that segment were down 9 percent in the first half of 2017 compared with the same time period last year.[7]
- Data centers, a new option in this year's survey, scored highly, reflecting industry trends, including a 43 percent spike in data center construction in North America, according to one report.[8]

7. "Commercial, Multifamily Starts Fall 9% in First Half of 2017," *Multifamily Executive*, August 10, 2017

8. "Data Center Construction in North America Spikes 43 Percent in 2017," *World Property Journal*, August 25, 2017

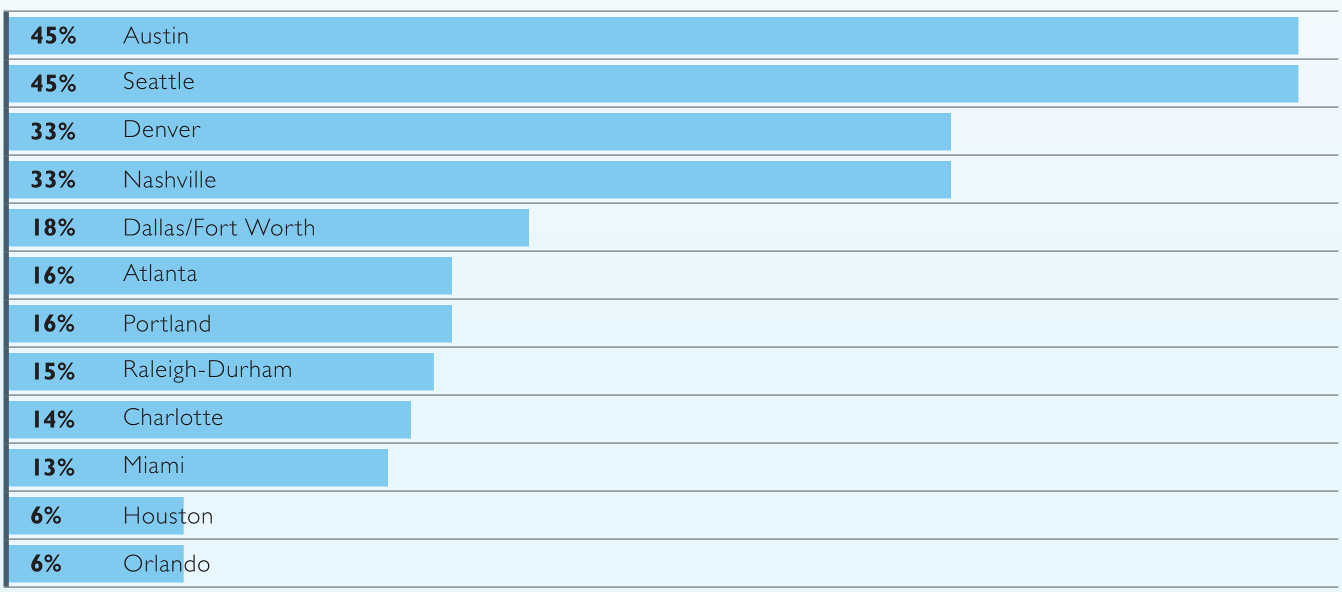
8. Which of the following locations presents the greatest opportunity for CRE investment over the next 12 months? Please rank in order, with 1 being most attractive.

NON-GATEWAY CITIES
(Austin, Denver, Portland, Seattle, etc.)

GATEWAY CITIES
(New York, San Francisco, Chicago, etc.)

LOCATIONS OUTSIDE THE US

9. Which of the following non-gateway cities do you believe will perform best in the year ahead? Please choose the top three.



- Continuing a trend noted in 2016, respondents view non-gateway cities as more attractive than gateways, likely a result of high prices in larger markets.
- Austin remained in the top spot this year, though respondents were similarly bullish on Seattle. Developers in that city say the labor competition is so intense (because of the tech sector) that other types of companies – even a lumber company – have moved into the city from the suburbs to try to attract talent.[9]
- Denver, another hot market, saw 2.9 percent employment growth in 2016, and regional officials point to natural resources and construction, education and health services, financial activities and leisure and hospitality as key sectors for the area economy.[10]
- Nashville, which has strength in the US healthcare management industry, among others, ranked highly as well, thanks to strong job growth and powered by the more than 200 companies that have relocated to the city's metro area.[11]
- But interest in gateway cities will remain, said Mitchell Schear, of JBG Smith and former president at Vornado/Charles E. Smith. "Investors (especially foreign investors) love and will always love gateway cities," he said. "But I also think there will be increasing interest in transit-served, close-in suburban markets where work/live/play environments can be created."

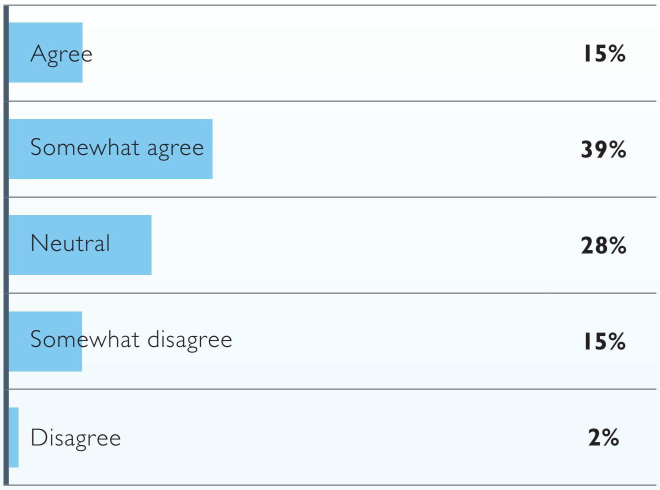
9. "Developers Lure Buyers to Cities, Even as Prices Stall," *The New York Times*, June 6, 2017

10. "Economic Forecast: Metro Denver economy to thrive in 2017 due to its strength and diversity," Metro Denver Economic Development Corporation, January 24, 2017

11. "Promising Cities for Commercial Real Estate," *Barron's*, July 18, 2017

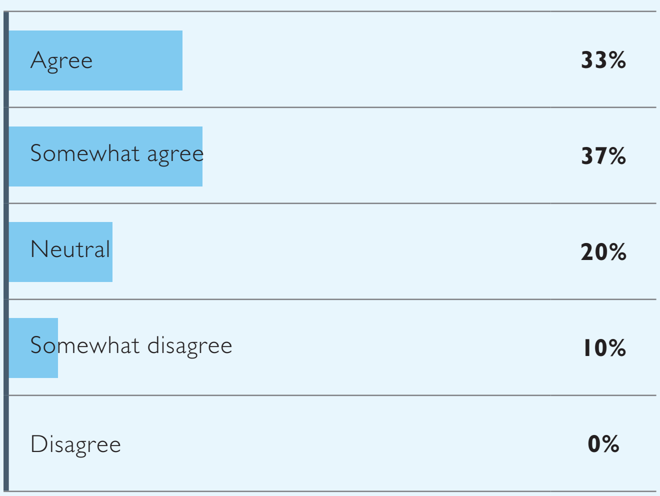
To what extent do you agree or disagree with the following?

10. Institutional buyers will find US property acquisitions that match their investment parameters and yield requirements during the next 12 months.



- Respondents believe that US institutional investors are less likely than foreign buyers to find acquisitions that match their investment parameters and yield requirements. This may be a reflection of different yield requirements – and lower availability of high-quality targets in gateway markets.
- But Neil Jacob, executive vice president of Oxford Properties, said global institutional investors will find compelling investments in the US. "While our markets and political environment face considerable challenge, we still compare favorably on a risk-adjusted basis to the other global markets," Jacob said. "There remains a considerable amount of global capital to invest, especially for the highest quality and most liquid assets. Opportunities are out there, but certainly not as obvious as before."

11. Foreign direct investment in the US will be strong during the second half of 2017.



- Seventy percent of respondents agreed or somewhat agreed that foreign investment would be strong through 2017 – as some investors look beyond their own shores to avoid political instability, negative interest rates and low yields.
- Survey respondents frequently described the US as a safe haven. Turmoil around the world was a common thread, with one respondent noting, "For all the craziness here, it looks like the US is still the most stable market around."
- Some experts predict that tighter restrictions on Chinese investors won't depress commercial real estate prices as other investors from around the world, including Europe and the Middle East, shift from low-yield fixed-income holdings to real estate.[12]
- Regarding the Chinese restrictions, Neil Jacob of Oxford Properties said there could be some short-term impact. But, "in the longer run, I don't believe it will meaningfully impact investments in the most liquid markets."

12. "Chinese Pullback Won't Dent Real Estate Prices, Brookfield Says," Bloomberg, August 18, 2017

12. What types of equity investors do you expect will be most active in the US in the coming year?

Foreign investors	32%
Private equity	28%
Pension funds	26%
REITs	9%
Individual investors EB-5, high-net-worth individuals, crowdfunding, etc.	6%

- Reflecting the results from several questions in the 2017 survey, respondents said foreign investors would be the most active.
- The 2017 rankings matched those from the 2016 survey and the previous survey in 2014. Respondents likely believe that REITs and individual investors will have a difficult time competing against foreign investors and private equity firms.
- But real estate developers believe that the combination of private equity and pension funds could be a more important source of investment than foreign investors.

13. Which of the following best describes why you believe foreign investors will be most active?

Global instability (Russia, North Korea, Middle East)	53%
Geographic diversification of investments	36%
Political uncertainty in the EU	5%
Other	6%

14. Which of the following global factors (if they take place in the next 12 months) would have the greatest impact on the global commercial real estate market?

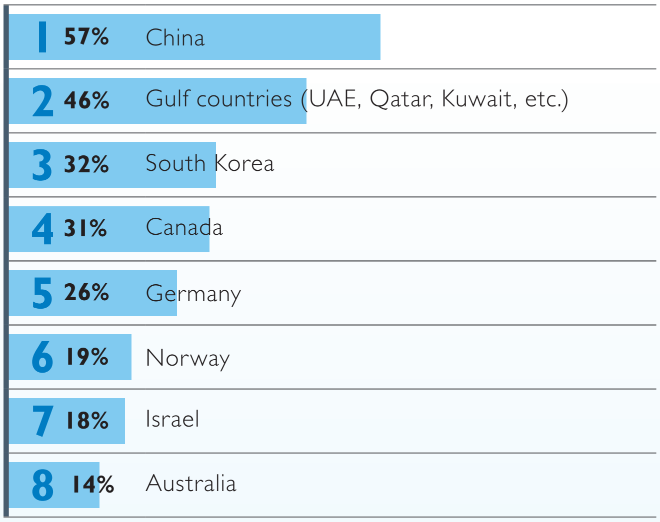
1	53%	Continued slowing of Chinese economy
2	33%	Increasing growth of US GDP
3	30%	Rising tensions with North Korea
4	24%	Brexit developments
5	22%	Increasing tensions in the Middle East
6	21%	Worsening US relationship with Russia
7	18%	Rising oil prices
8	8%	Other

- Among a list of possible developments, it's not surprising that a continued slowing of China's economy ranked first, given the role investors from that country play in commercial real estate.
- China's government recently released regulations on outbound investment – with real estate among the restricted industries – as the country's economy slowed.[13]
- Increasing US GDP growth, which would be a positive development, ranked second. Thirty-four of 57 economists surveyed in August 2017 said the current economic expansion will continue for more than two years – but at a modest pace on par with recent growth of about 2 percent.[14]

13. "China's New Capital Controls Expected To Slow Real Estate, But Improve Country's Economic Health," *Forbes*, August 28, 2017

14. "US economic expansion to last another two years or more: Reuters poll," CNBC, August 11, 2017

15. Investors from which of the following international markets/regions will find the US commercial real estate market most attractive during the next 12 months?

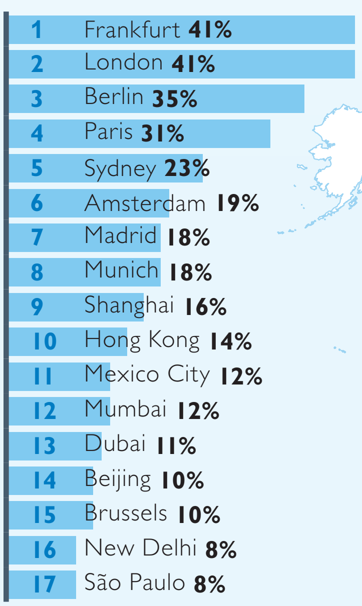


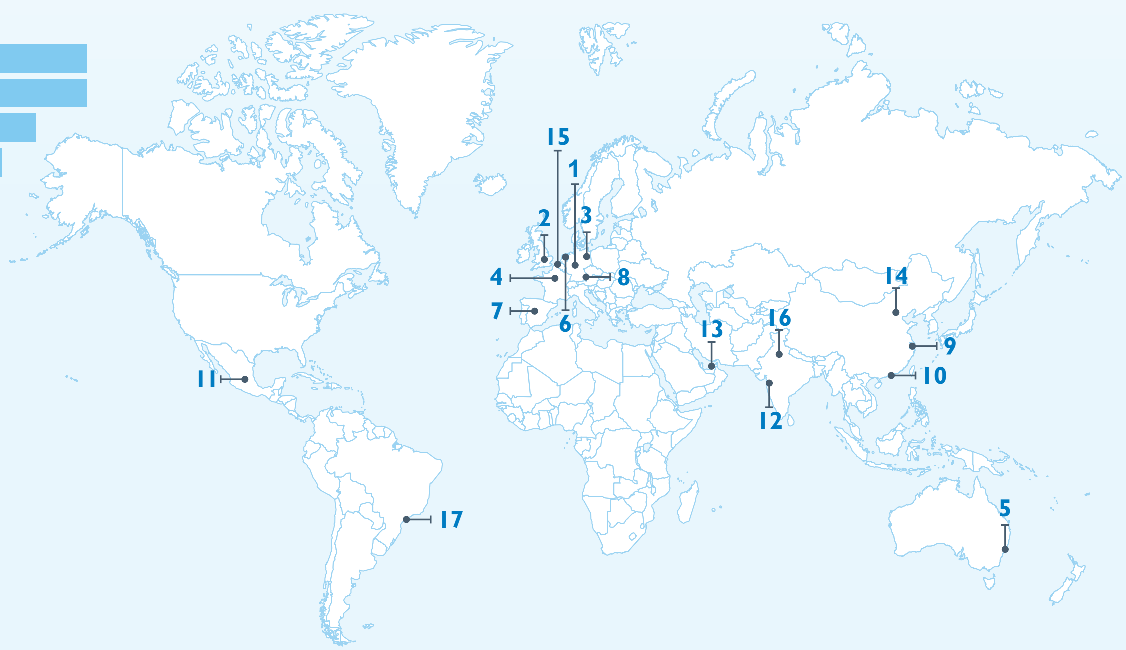
- China topped the list again in 2017, with investors from that country spending US$6.2 billion on cross-border real estate transactions worldwide in the first half of 2017. That includes Chinese conglomerate HNA's acquisition of 245 Park Avenue in Manhattan for US$2.21 billion in May.[15]
- This year's survey included Israel for the first time, but respondents essentially ranked the countries in a similar order last year. South Korea ranked third, just ahead of Canada, as asset managers there have access to substantial capital and have made significant investments in recent years, including involvement in some major projects in New York.[16]

15. "Asian Investors Heavily Target US, UK and German Commercial Markets in 2017," *World Property Journal*, August 8, 2017

16. "SL Green sells stake in One Vanderbilt to Korean pension fund, Hines," *The Real Deal*, January 26, 2017

16. Which of the following international cities are most attractive for investment during the next 12 months?



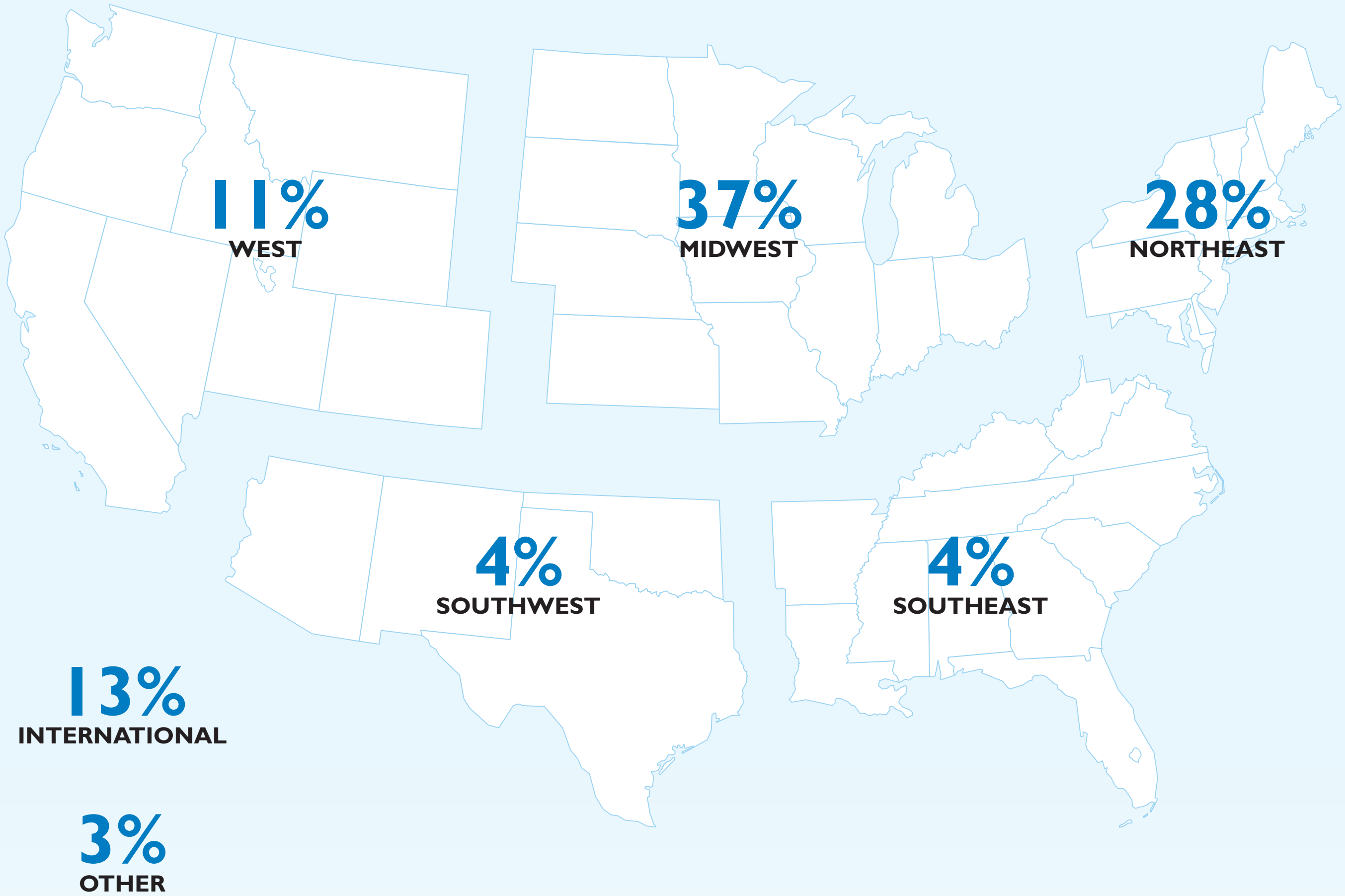


- In 2016, we asked respondents which regions were most attractive – but the question was altered this year based on a belief that global investors focus on cities, not regions. The 2016 responses largely tracked with the city rankings above – with the United Kingdom and Germany ranking first and second.
- London scored highly, despite Britain's current plans to leave the European Union. Experts attribute that to the weak pound and global investors' view that London is stable compared with much of the rest of the world.[17]
- Sydney also drew respondents' notice. Investors have poured billions into that city's office, retail, industrial and hotel assets in the past year. The hotel sector in Sydney has been especially strong.[18]

17. "Global instability and a weak pound is driving a record foreign investment boom in London's 'secure' property markets," *Business Insider*, August 10, 2017

18. "Investors pour $29b into commercial real estate bricks and mortar," *The Sydney Morning Herald*, August 14, 2017

17. In which market are you located?



METHODOLOGY

Between July 24, 2017, and August 23, 2017, DLA Piper distributed a survey via email to top executives within the real estate industry, including CEOs, COOs, CFOs and others, among them real estate developers; real estate debt providers; real estate investors; and third-party brokerage, property and asset managers and other real estate professionals. The survey was completed by 222 respondents. Due to rounding, percentages used in some questions may not add up to 100 percent.

The survey coincides with DLA Piper's 2017 Global Real Estate Summit held in Chicago on September 26, 2017, which is attended by many of the executives included in the survey.

ABOUT
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RECENT US REPRESENTATIVE MATTERS

DLA Piper represented clients in many of the most significant recent US commercial real estate transactions, among them:

- Acted as co-counsel to Blackstone Real Estate Income Trust, Inc., and as counsel to the underwriter, in connection with the issuance by Blackstone's first non-traded REIT of up to US$5 billion of common stock
- Represented Harrison Street Real Estate Capital in connection with its US$1.9 billion acquisition of Campus Crest Communities, Inc
- Represented Greenland in the acquisition of a majority interest in the US$5 billion Pacific Park (formerly known as Atlantic Yards) project in New York
- Represented Bank of Nova Scotia in the US$3.75 billion financing of the Las Vegas Sands in Macau, PRC and the US$1.25 billion financing of the Las Vegas Sands in Las Vegas, Nevada
- Represented Mirae Asset Global Investments in the US$780 million acquisition of the Hyatt Regency Waikiki Hotel in Honolulu, Hawaii
- Represented Oxford Properties Group with respect to acquisitions, joint ventures and financings involving properties in New York, Boston and Washington, DC
- Represented Union Investment Real Estate GmbH in its US$330.2 million acquisition of the Midtown21 office building in Seattle
- Represented Blackstone Real Estate Group and its affiliates in the acquisition of 12 select service hotels with an aggregate purchase price of more than US$400 million
- Won a US$5.6 million Fair Market Rental Rate arbitration for Capitol Records in Hollywood with respect to its Headquarters Building
- Represented the Atlanta Braves in connection with the development of a new 57-acre stadium site and surrounding mixed-use development known as "The Battery Atlanta™," including office, retail, residential, hotel and entertainment components that feature entertainment districts containing an additional concert/theatre venue
- Represented Cantor Fitzgerald in the acquisition and financing of 53 properties in 20 states, coupled with an upstream JV and downstream DST syndication. The portfolio includes properties in Arizona, Arkansas, Colorado, Florida, Iowa, Indiana, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Nebraska, Ohio, Oklahoma, South Dakota, Tennessee, Texas, Wisconsin and Wyoming
- Represented Saban Capital Group in the acquisition and financing of 20 student housing properties across the southeastern US from American Campus Communities. The 12,083-bed portfolio includes properties serving students at Penn State University, Michigan State University, Louisiana State University, University of Missouri, University of Indiana, University of South Carolina, University of Alabama, Florida State University, University of Alabama-Birmingham, East Carolina University and Western Michigan University

DLA PIPER
AT A GLANCE

DLA Piper is a global law firm with lawyers located in more than 40 countries throughout the Americas, Europe, the Middle East, Africa and Asia Pacific, positioning us to help clients with their legal needs around the world.

OUR CLIENTS

Our clients range from multinational, Global 1000 and Fortune 500 enterprises to emerging companies developing industry-leading technologies. They include more than half of the Fortune 250 and nearly half of the FTSE 350 or their subsidiaries.

At DLA Piper, we focus on the core services that our clients need us to deliver globally. Our diversified practice and sector focus allows us to work for the world's leading mature and emerging companies everywhere in the world.

OUR SERVICES

Our core practice areas include:

- Corporate
- Employment
- Finance and Projects
- Intellectual Property and Technology
- Litigation and Regulatory
- Real Estate
- Restructuring
- Tax

GLOBAL SECTOR FOCUS

- Energy
- Financial Services
- Food and Beverage
- Government Contracting
- Healthcare
- Hospitality and Leisure
- Infrastructure, Construction and Transport
- Insurance
- Life Sciences
- Manufacturing
- Media, Sport and Entertainment
- Mining
- Real Estate
- Retail
- Technology

RANKINGS

Firm of the Year in Real Estate and Franchise (*Who's Who Legal Awards* 2017)

Game changer of the past 10 years (*Financial Times* 2015)

#1 in global M&A deal volume for the seventh consecutive year (*Mergermarket* 2016)

#2 Law firm for global reach and breadth of international work (*Law360* 2016)

#3 Most powerful law firm brand in the world (*Acritas* 2016)

One of the top five law firms for client service by BTI Consulting Group (*BTI Client Service A-Team Rankings* 2017)

Best of the Best, Most Tech-Savvy Law Firms (*BTI Consulting* 2017)

More than 1,000 DLA Piper lawyers were ranked as leaders in their fields (*Chambers & Partners* 2015)

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REALWORLD

DLA Piper REALWORLD is an online guide to legal issues in international real estate covering Europe, the US and Asia Pacific. It provides answers to the typical legal questions faced when entering overseas markets. Topics include sale and purchase, leases, real estate taxes, finance, construction, planning and zoning, and corporate structures for investments.
dlapiperREALWORLD.com

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