

Starwood Capital Group Confirms Submission of Superior Proposal to Acquire Monmouth Real Estate Investment Corporation

All-Cash Revised Proposal Submitted on July 15th Provides Additional Cash to Shareholders Compared to Monmouth's Existing Agreement with Equity Commonwealth

Starwood Capital Urges Monmouth Board to Quickly Conclude its Proposal Constitutes a Superior Proposal Under the Existing Merger Agreement and Move Immediately to Complete the Starwood Capital Transaction

MIAMI, July 21, 2021 /PRNewswire/ -- Starwood Capital Group ("Starwood Capital"), a global private investment firm focused on real estate and energy investments, announced today that its affiliate Starwood Real Estate Income Trust, Inc. has made an enhanced all-cash, fully financed, fully actionable proposal to acquire Monmouth Real Estate Investment Corporation (NYSE: [MNR](#)) ("Monmouth") for \$19.51 per Monmouth share reduced by the termination fee owed to Equity Commonwealth ("EQC") of \$62.2 million or \$0.63 per share. This proposal implies a net consideration of \$18.88 per share to the Monmouth shareholders after payment of the termination fee. The revised proposal, submitted on July 15, 2021, includes an increase in the all-cash net consideration payable to Monmouth shareholders from Starwood Capital's previous proposal of \$18.70 per Monmouth share, made on July 8, 2021.

Starwood Capital urges the Monmouth Board of Directors to immediately declare Starwood Capital's proposal a superior proposal under the terms of its existing merger agreement with EQC and to act without delay to finalize a transaction with Starwood Capital. Starwood Capital believes that under any metric, its proposal clearly provides Monmouth shareholders with greater value and certainty than the existing EQC merger agreement announced on May 4, 2021, including:

- Starwood Capital's proposal provides additional value in cash to Monmouth shareholders. Starwood Capital's price is fixed and shareholders can be certain of the value they will receive.
- Starwood Capital requires no additional approvals or vote of Starwood Capital shareholders to move forward with the merger agreement and close the transaction.
- Starwood Capital's proposal requires no further due diligence and has no financing contingencies. All necessary financing commitments to fund the transaction have been executed and provided to the Monmouth Board.
- Starwood Capital has provided Monmouth with a merger agreement that Starwood Capital is ready to sign immediately.

Starwood Capital has asked the Monmouth Board to evaluate the merits of its cash offer in determining superiority, however Starwood Capital has expressed a willingness to consider the issuance of OP units for shareholders interested in a tax efficient transaction.

Ethan Bing, Managing Director of Starwood Capital, said, "Following the announcement of the EQC transaction on May 4, 2021, the implied value of the EQC offer quickly traded to a significant discount to Starwood Capital's cash offer, where it has remained. The implied loss to shareholders is even greater relative to the actionable all-cash option that the Monmouth Board rejected in agreeing to the May 4th merger agreement with EQC. Starwood's latest enhanced all cash offer provides Monmouth

shareholders with an opportunity to recover lost value with no exposure or uncertainty to volatility in the equity markets or a vote from our shareholders.

We urge the Monmouth Board to fulfill their fiduciary duties to all shareholders. We look forward to engaging with the Monmouth Board immediately and delivering maximum value to the Monmouth shareholders."

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 16 offices in seven countries around the world, and currently have approximately 4,000 employees. Since its inception in 1991, Starwood Capital Group has raised over \$60 billion of capital, and currently has over \$80 billion of assets under management. Through a series of comingled opportunity funds and Starwood Real Estate Income Trust, Inc. (SREIT), a non-listed REIT, 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. Starwood Capital also manages Starwood Property Trust (NYSE: [STWD](#)), the largest commercial mortgage real estate investment trust in the United States, which has successfully deployed over \$69 billion of capital since inception and manages a portfolio of over \$18 billion across debt and equity investments. Over the past 29 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.

Media Contacts

Tom Johnson/Dan Scorpio
Abernathy MacGregor
(212) 371-5999
tbj@abmac.com / dps@abmac.com