

## **Prologis to Acquire 14MSF Blackstone Industrial Portfolio in \$3.1 Billion Deal**

SAN FRANCISCO and NEW YORK, June 26, 2023 [/PRNewswire/](#) -- Prologis, Inc. (NYSE: PLD) and Blackstone (NYSE: BX) today announced a definitive agreement for Prologis to acquire nearly 14 million square feet of industrial properties from opportunistic real estate funds affiliated with Blackstone for \$3.1 billion, funded by cash. The acquisition price represents an approximately 4% cap rate in the first year and a 5.75% cap rate when adjusting to today's market rents.

"We're pleased to be working with Blackstone on this deal. These high-quality properties are complementary to our portfolio and fit perfectly into our long-term strategic plan for growth," said Dan Letter, president, Prologis. "The acquisition demonstrates our unique ability to add significant scale to our portfolio - expanding customer relationships and increasing opportunities for our growing Essentials platform."

Nadeem Meghji, head of Blackstone Real Estate Americas, said, "Where you invest matters, and this transaction demonstrates the exceptional demand for high-quality warehouses. With near record low vacancy, logistics remains a high conviction theme for us; we are proud owners of \$100 billion of warehouses in North America and \$175 billion in total around the world. And, of course, Prologis is a world-class company that knows this space as well as anyone."

Prologis and Blackstone have completed more than a dozen transactions together in the past 11 years. Leadership at each company values the relationship and the opportunities it creates to execute on their respective strategies across markets and cycles.

Prologis currently owns 1.2 billion square feet of logistics real estate in 19 countries. This acquisition expands the company's presence in key markets, including Atlanta, Baltimore/Washington DC, California (Southern California, Central Valley, SF Bay Area), Dallas, Las Vegas, New York/New Jersey, Phoenix and South Florida. The company plans to hold all of the properties acquired. This deal expands Prologis' relationship with 50 existing customers and adds 77 new customers.

The transaction is currently expected to close by the end of the second quarter.

Eastdil Secured, Barclays, BofA Securities, Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, PJT Partners and Wells Fargo acted as financial advisors to Blackstone, and Simpson Thacher & Bartlett LLP acted as legal advisor.

### **About Prologis**

Prologis, Inc. is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. At March 31, 2023, the company owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 1.2 billion square feet (113 million square meters) in 19 countries. Prologis leases modern logistics facilities to a diverse base of approximately 6,600 customers principally across two major categories: business-to-business and retail/online fulfillment.

### **About Blackstone Real Estate**

Blackstone is a global leader in real estate investing. Blackstone's real estate business was founded in 1991 and has US \$332 billion of investor capital under management. Blackstone is the largest owner of commercial real estate globally, owning and operating assets across every major geography and sector, including logistics, residential, office, hospitality and retail. Our opportunistic funds seek to acquire undermanaged, well-located assets across the world. Blackstone's Core+ business invests in substantially stabilized real estate assets globally, through both institutional strategies and strategies tailored for income-focused individual investors including Blackstone Real Estate Income Trust, Inc. (BREIT), a U.S. non-listed REIT, and Blackstone's European yield-oriented strategy. Blackstone Real Estate also operates one of the leading global real estate debt businesses, providing comprehensive financing solutions across the capital structure and risk spectrum, including management of Blackstone Mortgage Trust (NYSE: BXMT).

### **Forward-Looking Statements**

The statements in this document that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which we operate as well as management's beliefs and assumptions. Such statements involve uncertainties that could significantly impact our financial results. Words such as "expects" "anticipates," "intends," "plans," "believes," "seeks," and "estimates" including variations of

such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future—including statements relating to rent and occupancy growth, acquisition and development activity, contribution and disposition activity, general conditions in the geographic areas where we operate, our debt, capital structure and financial position, our ability to earn revenues from co-investment ventures, form new co-investment ventures and the availability of capital in existing or new co-investment ventures—are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and, therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) international, national, regional and local economic and political climates and conditions; (ii) changes in global financial markets, interest rates and foreign currency exchange rates; (iii) increased or unanticipated competition for our properties; (iv) risks associated with acquisitions, dispositions and development of properties, including the integration of the operations of significant real estate portfolios; (v) maintenance of Real Estate Investment Trust status, tax structuring and changes in income tax laws and rates; (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings; (vii) risks related to our investments in our co-investment ventures, including our ability to establish new co-investment ventures; (viii) risks of doing business internationally, including currency risks; (ix) environmental uncertainties, including risks of natural disasters; (x) risks related to global pandemics; and (xi) those additional factors discussed in reports filed with the Securities and Exchange Commission by us under the heading "Risk Factors." We undertake no duty to update any forward-looking statements appearing in this document except as may be required by law.



SOURCE Prologis, Inc.

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