



Consortium Led by Founders of Workspace Property Trust Acquires Approximately Eight Million Square Feet Across 53 Class A Suburban Office Buildings from Griffin Realty Trust

Deal Valued at \$1.132 Billion

Together with Current Workspace Portfolio, New Platform Becomes the Preeminent National Suburban Office and Light Industrial Company in the US With Approximately 18 Million Square Feet in 22 Major Metropolitan Areas

Establishes Workspace as the Preferred Commercial Real Estate Partner for the Fortune 1000

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BOCA RATON, Fla.--(BUSINESS WIRE)--A consortium led by Thomas A. Rizk and Roger W. Thomas, founders, Workspace Property Trust ("Workspace") today announced it has acquired approximately eight million square feet across 53 Class A suburban office buildings on 41 separate properties in high-growth markets across the country from Griffin Realty Trust, Inc. ("GRT"), establishing itself as the preeminent national suburban office and light industrial company in the US. Jordan Bock, founder of real estate investment firm Mason Capital, served as strategic advisor and partner to Workspace and the consortium in connection with this transaction, and will serve on the Board of Workspace.

The \$1.132 billion transaction, when combined with the existing Workspace portfolio, nearly doubles the size of the company's holdings to 18 million square feet with 200 buildings in 22 major metropolitan markets in the US. Equity capital is being provided by one of the world's largest global investors. GRT will retain a minority ownership in the portfolio. J.P. Morgan and Bank of Montreal (BMO) provided senior debt financing.

As combined, Workspace will own and operate suburban office buildings in 14 of the top 20 US metropolitan areas, including Atlanta, Philadelphia, Dallas, Charlotte, Tampa, Phoenix, Silicon Valley, South Florida, Houston, Portland, Seattle, Minneapolis, Chicago and St. Louis. Approximately 40% of the Fortune 500 have headquarters in Workspace markets and nearly seven million square feet of the Workspace portfolio is leased by companies comprising the Fortune 1000.

"We are thrilled to expand our footprint and double-down on the suburban office segment with the acquisition of this well-maintained portfolio of predominantly blue-chip, single tenant, net lease buildings in high growth suburban markets all across the US," said Mr. Rizk, Co-Founder, Chairman and CEO of Workspace. "With this transaction, Workspace becomes the preeminent national suburban office and light industrial company in the country and the preferred commercial real estate partner for the Fortune 1000. We look forward to building on GRT's legacy by bringing the unique skills, tenant-oriented service, and operating protocols of Workspace to these newly acquired markets."

"Since our founding, we have built a distinguished business with a relentless commitment to achieving our brand promise of Work, Life, Balanced," said Mr. Thomas, Co-Founder, President and COO of Workspace. "We know in the last five years millions of Americans have moved from the cities to the suburbs and nearly one-third of all Americans today are considering moving away from cities post pandemic. This important demographic shift – core to our original contrarian thesis -- is led by millennials, the largest workforce cohort in history, who appreciate the benefits of the suburbs and suburban offices: shorter commutes, lower crime, less need for mass transportation, more affordable housing, better schools and of course, safe and flexible workplaces. We are extremely pleased to welcome our new corporate tenants from across the country and we look forward to offering them our unrivaled scale and scope to truly partner on service enhancements, innovation and sustainability initiatives."

More than 66% of the total commercial office inventory in the US is positioned within the suburbs, representing over 2.5 billion square feet. According to a recent CBRE report, US suburban office markets are recovering at a faster pace than downtown markets with stronger rent growth and vacancy reduction as the downtown vacancy rate increased by 20 basis points in the second quarter of 2022 to 17% while the suburban vacancy rate fell by 10 basis points to 16.8%. This was the first time in more than 20 years that the downtown vacancy rate surpassed the suburban rate.

With this acquisition, Workspace is well-positioned nationally with a strong orientation as a tenant-focused, lifestyle-oriented brand dedicated to supporting the needs of its corporate tenant partners. With services and office solutions designed to provide flexible working locations across its footprint, Workspace is able to deliver a “network effect,” providing ease of entry for partners with the desire for convenient and attractive locations appealing to their workforce across the country. Workspace maintains a strong commitment to sustainability and reducing its buildings’ carbon footprints to the greatest extent feasible. With an emphasis on appropriate environmental, social and governance standards in operations, Workspace takes its responsibility as thoughtful stewards of the communities it services very seriously.

Mr. Rizk continued, “When Roger and I created Workspace in 2015, investing in suburban office was a contrarian bet but today, it is the clear solution for corporations looking to provide a safe, accessible, flexible, lifestyle-oriented, and community-based environment for their employees. We see compelling opportunities for growth – both in our existing footprint as well as in select growth markets – and will work with our large corporate partners to deliver solutions to their expansion needs.”

Mr. Thomas said, “Driven by the redefinition of work as a result of the pandemic and the continued and unabated demographic shift to the suburbs, more and more Fortune 1000 corporations are rethinking their presence in downtown markets and relocating many of their office needs to suburban locations across the U.S. Workspace is poised to lead this transformation. In fact, the list of major corporations who have announced moves to suburban markets includes Intel, Oracle, McKesson, Tesla, Charles Schwab, Honeywell, Centene, among others.”

Newmark Group served as advisor to Workspace on the debt financing. Seyfarth Shaw LLP and McCausland Keen + Buckman served as legal counsel to Workspace.

Workspace Property Trust

Workspace Property Trust is a privately held, vertically integrated, full service commercial real estate company specializing in the ownership, management, leasing and development of office and light industrial space across the US. Founded in 2015, as combined Workspace owns and operates approximately 18 million square feet of suburban office and light industrial properties in markets across the country, including 14 of the top 20 US metropolitan areas. For more information on Workspace, please visit www.workspaceproperty.com

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