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Penwood Real Estate Investment Management Announces the Sale of Hercules Campus West in Playa Vista, CA

Hartford, CT – January 16, 2017 – Penwood Real Estate Investment Management, LLC (Penwood), through its second value-added investment vehicle, Penwood Select Industrial Partners II, L.P., and with its development partner, The Ratkovich Company (together with Penwood, the “Partnership”), announced the sale of Hercules Campus West. The campus contains four buildings that are leased to Google. The historic buildings, which include the hanger where Howard Hughes built the Hercules H-4, also known as the “Spruce Goose”, had been virtually unused for the last two decades. While many passed on an investment of this scale, the Partnership saw the potential and vision to revive the structures to their former glory. Richard Chase, Managing Director and Head of Acquisitions at Penwood commented that, “After over 20 years of neglect, the hangar has been renovated to highlight its quality structure and superior aesthetics with soaring ceiling and exposed bowed trusses”. Encompassed in the existing structures, Google’s plan includes building state-of-the-art work space which will once again make these buildings vessels of innovation. Karen Nista, Managing Director and Head of Asset Management at Penwood stated that, “The partnership dedicated extraordinary time and resources to reposition this asset and it is a true testament to conservation.” Hercules Campus West is a historic landmark that represents cutting edge thinking and innovation and is certain to be the crown jewel of the new owner’s portfolio.

About Penwood Real Estate Investment Management, LLC

Penwood is an entrepreneurial real estate investment advisory firm dedicated to managing value-added real estate investments for the institutional market. Formed in 2003, the firm is a registered Investment Adviser based in Hartford, CT. Penwood combines experienced investment management with the local-market expertise of established strategic relationships and a disciplined management process to optimize value for investors. Penwood’s investment focus remains on value-add investment opportunities in the Global Gateway markets of Southern California and New York/New Jersey due to the diverse demand generators, inherent supply constraints, dominant seaports, and unparalleled transportation infrastructure.

For information about Penwood, contact John Hurley at john.hurley@penwoodre.com.

About The Ratkovich Company

The Ratkovich Company is a Los Angeles development company that engages in both new development and the imaginative reuse of existing buildings. The company has completed, or has under development, nearly 18 million square feet of commercial space in Los Angeles County, including The Bloc, a 1.8 million square foot, mixed-use property at the heart of downtown Los Angeles that will become the premier urban retail, office and hospitality destination. It is also leading the development of the 30-acre

San Pedro Public Market, formerly known as Ports O' Call Village, which lies along the Los Angeles Waterfront. The \$100 million revitalization of the property will transform it into a world-class, urban waterfront destination with retail and dining attractions. The company has also redeveloped The Alhambra, a 45-acre mixed-use urban community in the city of Alhambra, and The Hercules Campus at Playa Vista, a landmark property comprised of 11 historic buildings, including the hangar where Howard Hughes' legendary Spruce Goose was built.

Disclaimer: 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.