

Arden Group and Wafra Launch Venture Targeting a \$1.0 Billion Aggregation of Industrial Service Facilities (ISF) in Top U.S. Growth Markets

- *The venture plans to scale a diversified portfolio of industrial service facilities (“ISF”), including industrial outdoor storage sites, truck terminals, trailer parking and last mile port facilities*
- *Acquisitions will range \$5-\$30 million for smaller properties/regional portfolios and \$100-\$200+ million for national diversified portfolios*
- *Financing for the venture’s initial acquisitions led by CIT Bank*

New York and Philadelphia, October 19, 2022: Wafra Inc. (“Wafra”), a global alternative investment firm, and Arden Group (“Arden”), a leading U.S. middle-market real estate fund manager, have announced a venture to acquire ISF properties located in in-fill sites across major markets in the United States. As part of this venture, the firms have closed on a portfolio of ISF properties, building an immediate presence in key growth markets, including Dallas, Houston, Atlanta, Austin and Miami.

“Through this venture, Wafra continues its strategy of launching and scaling platforms in attractive niche real estate strategies where we create value through our operational expertise, global reach and deep industry networks,” said Pratik Patel, Managing Director at Wafra. “We recognize the importance of forming partnerships with industry leaders like Arden and ensuring meaningful alignment as the basis of shared success. This venture will allow us to build a sizeable market share within a highly fragmented sector by combining Wafra’s long-standing expertise in niche real estate strategies with Arden’s best-in-class management team.”

“We’re excited to create this strategic partnership with Wafra as our funds continue to scale in niche industrial strategies in core U.S. markets,” said Craig A. Spencer, Chairman and CEO of Arden Group. “Demand for ISF space remains historically strong and this new joint venture will allow both organizations to capitalize on the numerous investment opportunities available in the sector.”

The ISF market exceeds \$130 Billion or 13% of the broader U.S. industrial real estate sector, as estimated by CBRE, presenting a sizable investing opportunity in a highly fragmented and emerging asset class. Industrial service facilities feature a diverse set of tenants with properties supporting e-commerce, infrastructure, construction and logistics businesses, storing mission-critical equipment ranging from building materials to shipping containers and fleet parking.

The venture’s assets will be managed by Arden’s vertically integrated industrial operating company, Arden Logistics Parks, which currently manages more than 10 million square feet of multi-tenant industrial with over 200 buildings and 1,300+ tenants in 10 markets.

“With estimated 95%+ fragmented non-institutional ownership, we are in the early days of the ISF sector – akin to self-storage or manufactured housing 15-20 years ago,” adds Shike Goedar, President and Chief Investment Officer

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of Arden Logistics Parks. “Arden’s boots-on-ground presence in 10 markets with existing industrial holdings will provide us an excellent ramp to rapidly scale in ISF and is key differentiator relative to recent institutional entrants.”

Cleary Gottlieb served as Wafra’s legal counsel and Cozen O’Connor served as Arden Group’s legal counsel. CBRE served as Arden Group’s exclusive financial advisor in connection with the transaction and provided advisory services to the venture on financing.

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NOTES TO EDITORS

About Wafra

Wafra is a global alternative investment manager with approximately \$33 billion of assets under management. Wafra invests across a range of alternative assets, including alternative and traditional real estate, strategic partnerships, real assets and infrastructure. By providing flexible and accretive capital solutions and focusing on long-term partnerships, Wafra aligns and partners with high quality asset owners, companies and management teams. Headquartered in New York, Wafra has additional offices in London, Kuwait and Bermuda. For more information, please visit: www.wafra.com.

About Arden Group

Arden Group is a vertically integrated real estate investment management firm focused on equity and debt investments in the top 25 US markets. Founded in 1989, Arden has acquired approximately \$7 billion of properties and asset managed in excess of \$12 billion of commercial real estate assets. In 2012, Arden Group established Arden Fund Management, its real estate equity and debt fund management business with offices in Philadelphia, New York, Tampa, Miami, Minneapolis, and Newport Beach. Arden Group has been consistently ranked globally as a top performing Private Fund Manager by both Cambridge Associates and Preqin including Preqin’s #1 global ranking in 2017, 2018 and 2019. For more information, visit www.ardengroup.com