



NorthStar Realty Europe Completes the Sale of the Maastoren Tower, the Tallest Office Building in the Netherlands

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NEW YORK, May 3, 2018 /PRNewswire/ --

NorthStar Realty Europe Corp. (NYSE: NRE) ("NorthStar Realty Europe" or "NRE"), a REIT focused on prime office properties in Europe, announced today that it has completed the sale of Maastoren, the tallest office tower in the Netherlands, to MT LuxCo, a joint venture between FOM Real Estate, Asia Pacific Real Estate and Coquine SA, at a significant premium to NRE's June 30, 2017 external third party valuation^[1] issued prior to extending leases with Deloitte and AKD.

In the second half of 2017, NRE executed value enhancing lease extensions, signing new 10 year leases with the building's primary tenants, Deloitte and AKD, who together occupy approximately 70% of the building. These lease extensions resulted in an increase in the weighted average remaining contractual lease term to expiry by more than four years.

NRE expects to release approximately €50 million of net equity after repayment of financing (including release premium) and transaction costs. Maastoren is NRE's largest remaining non-core asset and the sale marks the Company's exit from the Netherlands.

Mahbod Nia, NorthStar Realty Europe's Chief Executive Officer and President, commented: "We are pleased to have completed the sale of Maastoren at a significant premium to the valuation preceding the lease extensions. Our ability to materially enhance the value of this asset prior to sale is a reflection of our continued commitment to active asset management as we seek to generate value for our stockholders."

Property highlights

- 44 floors and standing 165 metres high; the tallest building in the Netherlands
- Fully let with a strong base of high quality tenants, including Deloitte and AKD
- Completed in 2010
- Located at Rotterdam's Kop van Zuid, Wilhelminakade 1-103

Safe Harbor Statement

This press release contains certain "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward looking statements are generally identifiable by use of forward looking terminology such as "may," "will," "should," "potential," "intend," "expect," "seek," "anticipate," "estimate," "believe," "could," "project," "predict," "hypothetical," "continue," "future" or other similar words or expressions. Forward looking statements are not guarantees of performance and are based on certain assumptions, discuss future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward looking information. Such statements include, but are not limited to, the likelihood and timing of successfully completing the transaction referred to in this press release, and the amount of the net equity released after repayment of financing and transaction costs. Forward looking statements are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying any forward-looking statements will not materialize or will vary significantly from actual results. Factors that could cause actual results to differ materially from NRE's expectations are specified in NRE's annual report on Form 10-K for the year ended December 31, 2016, and its other filings with the Securities and Exchange Commission. Such forward looking statements speak only as of the date of this press release. Variations of assumptions and results may be material. NRE expressly disclaims any obligation to release publicly any updates or revisions to any forward looking statements contained herein to reflect any change in its expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

About NorthStar Realty Europe

NorthStar Realty Europe Corp. (NYSE: NRE) is a European-focused commercial real estate company with predominantly high quality office properties in Germany, the United Kingdom and France, organized as a REIT and managed by an affiliate of Colony NorthStar, Inc. (NYSE: CLNS), a leading global real estate and investment management firm. For more information about NorthStar Realty Europe Corp., please visit <http://www.nrecorp.com>

About MT LuxCo

MT LuxCo is a joint venture between FOM Real Estate, Asia Pacific Real Estate and Coquine SA. The platform owns and operates core and trophy assets, it also structures and facilitates investment in such assets for third party institutional investors.

Endnotes

1. The external third-party valuation was prepared by Cushman & Wakefield LLP in accordance with the current U.K. and Global edition of the Royal Institution of Chartered Surveyors' (RICS) Valuation - Professional Standards (the "Red Book") on the basis of "Fair Value", which is widely recognized within Europe as the leading professional standards for independent valuation professionals. Each property is classified as an investment and has been valued on the basis of Fair Value adopted by the International Accounting Standards Board. This is the equivalent to the Red Book definition of Market Value. The Red Book defines Market Value as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion. The Cushman & Wakefield LLP valuation assumes that certain properties would be purchased through market accepted structures resulting in lower purchaser transaction expenses (taxes, duties, and similar costs). The mid-year Cushman & Wakefield LLP valuation as of June 30, 2017 precedes execution of lease extensions mentioned in this press release.

As an opinion, appraisals are not a measure of realizable value and may not reflect the amount that would be received if the property in question were

sold. Real estate valuation is inherently subjective due to, among other factors, the individual nature of each property, its location, the expected future rental revenues from that particular property and the valuation methodology adopted. Real estate valuations are subject to a large degree of uncertainty and are made on the basis of assumptions and methodologies that may not prove to be accurate, particularly in periods of volatility, low transaction flow or restricted debt availability in the commercial or residential real estate markets. For example, in the appraisal, a number of the properties were valued using the special assumption that such properties would be purchased through a tax-efficient special purpose vehicle, and is therefore subject to lower purchaser transaction expenses. If one or more assumptions are incorrect, the value may be materially lower than the appraised value.

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SOURCE NorthStar Realty Europe