



NEWS RELEASE

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Port Approves 14-Acre PDX Logistics Center Phase III Lease with Capstone Partners

Portland, Ore. - The Port of Portland Commission today approved a 14-acre, 50-year lease with locally based Capstone Partners and its investment partner PCCP, LLC to develop Phase III of the PDX Logistics Center.

At more than one million square feet, the PDX Logistics Center will have a total of five state-of-the-art buildings; two of which are already fully leased to trade and logistics tenants.

The project, located within the Portland International Center (south of Northeast Airport Way), provides tenants with immediate access to I-205, close proximity to airport freight and transportation services near Portland International Airport, and is within walking distance to TriMet's Airport Max light rail line and mixed-use Cascade Station (shopping center, office buildings and hotels).

"The combination of air and ground transportation services infrastructure and immediate access to I-205 make PDX Logistics Center ideally suited for a broad range of industrial tenants," said Chris Nelson, a principal at Capstone Partners. "The ability of this region to have shovel-ready industrial land for companies that wish to expand or relocate to Portland is critical to the long term economic health of our region."

Phase III of the project will add two additional buildings, totaling approximately 250,000 square feet. Construction on Phase III is expected to begin this July, with completion by summer of 2017.

"This lease and development will create more local jobs and give traded-sector businesses room to expand or grow in our region," said Keith Leavitt, Port's chief commercial officer. "The property's unique location next to the airport, freeways and other businesses offer users uncommon access."

Businesses operating in the initial, two-building phase of the project (Phase I) include Gateway Express, a Singapore-based e-commerce company; specialty packaging company Ernest Packaging and KeHE Distributors, a natural and organic food distributor that recently picked up Portland-based New Seasons Market as a new customer. A third building (Phase 2), which will add 355,200 square feet, is currently under construction and will be completed this July.

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About the Port of Portland: Established in 1891 by the Oregon legislature, the Port today owns four marine terminals, three airports (Portland International, Hillsboro, and Troutdale) and five business parks. The mission of the Port is to enhance the region's economy and quality of life by providing efficient cargo and air passenger access to national and global markets, and by promoting industrial development.

About Capstone Partners LLC: Capstone Partners is a regional real estate development and investment company with offices in Portland and Seattle. Capstone has completed over \$1 billion of industrial, office, mixed-use residential and retail projects in the last 10 years. For more information, please visit www.capstone-partners.com.

About PCCP, LLC: PCCP, LLC is a premier real estate finance and investment management firm focused on commercial real estate debt and equity investments. PCCP has approximately \$5.5 billion in assets under management on behalf of institutional investors. Learn more about PCCP at www.pccpllc.com.