

Prologis Research Identifies Five New Trends Shaping Commercial Real Estate Development

PR Newswire
SAN FRANCISCO

SAN FRANCISCO, Nov. 19, 2015 /PRNewswire/ -- Prologis, Inc. (NYSE: PLD), the global leader in industrial real estate, today published new research on the trends now shaping commercial real estate development in the United States.

The latest paper from Prologis Research--"A New Supply Paradigm: Five Trends Shaping Real Estate Development"--identifies five factors that are leading to a more disciplined development cycle compared to past cycles. These factors include:

- Consolidation and institutionalization: movement toward larger-scale institutions as key players
- Greater aversion to and a measured appetite for risk: changing attitudes by institutions--both on the equity side and the debt side
- New lending constraints: expanded banking regulations and a preference for relationship lending and institutional borrowers
- Tighter talent pool: a shortage of real estate professionals with relevant development expertise
- Better access to industry information: the ability to approach opportunities and risks proactively and in real time

"The great recession laid the groundwork for more conservatism on new commercial development in the U.S.," said Chris Caton, senior vice president, Prologis Research. "Today, key players are more disciplined and are in a better position to respond to shifting market dynamics."

ABOUT PROLOGIS

Prologis, Inc. is the global leader in industrial real estate. As of September 30, 2015, Prologis owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 671 million square feet (62 million square meters) in 21 countries. The company leases modern distribution facilities to more than 5,200 customers, including third-party logistics providers, transportation companies, retailers and manufacturers.

FORWARD-LOOKING STATEMENTS

The statements in this document that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which Prologis operates, management's beliefs and assumptions made by management. Such statements involve uncertainties that could significantly impact Prologis' financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future -- including statements relating to rent and occupancy growth, development activity and changes in sales or contribution volume of properties, disposition activity, general conditions in the geographic areas where we operate, our debt and financial position, our ability to form new co-investment ventures and the availability of capital in existing or new co-investment ventures -- are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. 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. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust ("REIT") status and tax structuring, (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments in our co-investment ventures and funds, including our ability to establish new co-investment ventures and funds, (viii) risks of doing business internationally, including currency risks, (ix) environmental uncertainties, including risks of natural disasters, and (x) those additional factors discussed in reports filed with the Securities and Exchange Commission by Prologis under the heading "Risk Factors." Prologis undertakes no

duty to update any forward-looking statements appearing in this document.

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