Oxford Properties Enters San Diego Life Science Market with $464 Million Acquisition of 13-Building Portfolio

- Acquisition of 650,000 sq ft of income producing properties adds to Oxford's dedicated life science business and expanding West Coast presence -

SAN DIEGO, CA – February 23, 2022. Supporting its strategy to help deliver the much needed and highly technical real estate infrastructure to companies creating the life-sciences of tomorrow, Oxford Properties Group ("Oxford") today announced the acquisition of a nine-asset, 13-building life sciences portfolio in San Diego's Sorrento Mesa and Sorrento Valley. Oxford, a leading global real estate investor, asset manager and business builder, acquired the 650,000 sq ft portfolio for $464 million.

The announcement marks Oxford's entrance into the San Diego market, building on its already robust life sciences portfolio and growing West Coast presence with previously announced assets in the Bay Area and Seattle. The portfolio, together with recently acquired development lands, provides Oxford a diverse and high-quality life science offering in a market which it has high long-term conviction.

As a result of this transaction, Oxford's North American established life science portfolio is now present across nine key markets. It has a development pipeline comprising significant scalability of new, specialized product across R&D, incubator and GMP facilities. The firm's substantial growth in its life science business since 2017, now includes over US$2 billion of acquisitions in North America in the past 12 months.

"Our team continues to create sustained, yet highly-targeted growth against one of our highest conviction global investment strategies to build a dedicated life science business of scale," said **Chad Remis, Executive Vice President, North America at Oxford.** "Today's acquisition adds high quality, income producing assets to our growing portfolio and perfectly complements the beginning of our development pipeline in San Diego. Life Science portfolios of this size rarely trade, so it presents a unique opportunity to add immediate scale in a globally-significant life science market that is characterised by high barriers to entry."

The acquired portfolio is 98% leased with 12 of the 13 buildings centrally located within San Diego's Sorrento Valley and Sorrento Mesa, two of the most sought-after life science markets in North America. The portfolio consists largely of one-to-two story buildings with a 60/40 life sciences-to-office ratio, modern MEP systems and ample tenant parking.

Sorrento Valley and Sorrento Mesa have emerged as epicentres of growth within San Diego's life science ecosystem which in 2021 recorded over 4 million sq ft of leasing volume, an all-time high, and 80% higher than 2020 (which was a record year on its own.). As a result of record high demand and limited vacancy, asking rents in San Diego's life science market have recorded a 34% increase.

San Diego has defined itself as one of the most important life science markets globally. Nearly 40% of its population holds a bachelor's degree or higher, rapidly outpacing the national average of 28%, and its universities graduate more STEM talent than any other region in the US. Its ecosystem is anchored by renowned research institutions and non-profits including San Diego State University, UC San Diego ('USCD'), Scripps Research and the Sandford Burnham Prebys Medical Discovery Institute. There are 760 UCSD-affiliated start-ups alone, which generate approximately US$16.5 billion in annual revenue and employ more than 100,000 professionals, of which 74,000 are based in San Diego.

"The San Diego life science market is supported by a strong STEM presence, a highly-skilled labour force as well as world-renowned research and academic institutions. Together, it creates a highly innovative ecosystem that captures research funding, venture capital and business growth to the region," said **Tycho Suter, Vice President of Investments at Oxford.** "The acquired portfolio gives us a meaningful presence in a market where we have high conviction. Furthermore, with over a third of the portfolio's leases set to expire in the next two years, it provides Oxford the opportunity to utilize our active asset management capabilities to create value via targeted upgrades to lab space, improving the customer experience and offering that these buildings have in the marketplace."

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About Oxford Properties Group

Oxford Properties Group ("Oxford") is a leading global real estate investor, asset manager and business builder. It builds, buys, and grows defined real estate operating business with world-class management teams. Established in 1960, Oxford and its portfolio companies manage approximately C$80 billion of assets across four continents on behalf of their investment partners. Oxford's owned portfolio encompasses office, logistics, retail, multifamily residential, life sciences, hotels and credit in global gateway cities and high-growth hubs. A thematic investor with a committed source of capital, Oxford invests in properties, portfolios, development sites, debt, securities and real estate businesses across the risk-reward spectrum. Together with its portfolio companies, Oxford is one of the world's most active developers with over 100 projects currently underway globally across all major asset classes. Oxford is owned by OMERS, the Canadian defined benefit pension plan for Ontario's municipal employees.

For more information on Oxford, visit www.oxfordproperties.com

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