



DigitalBridge Closes Sale of Wellness Infrastructure Business

February 28, 2022

BOCA RATON, Fla.--(BUSINESS WIRE)--Feb. 28, 2022-- [DigitalBridge Group](#), Inc. (NYSE: DBRG) ("DigitalBridge" or the "Company") today announced it has completed the previously announced sale of its Wellness Infrastructure business (the "Wellness Sale") to an investment group comprised of two leading real estate investment firms, Highgate and Aurora Health Network.

The \$3.2 billion Wellness Sale includes total net value to DigitalBridge of \$316 million (comprised of \$161 million in cash and a \$155 million 5-year seller's note), the assumption of \$2.6 billion in consolidated investment-level debt, and \$294 million of subsidiary-level debt.

"We are pleased to close this complex transaction on our original timetable thanks to the hard work of Rich Welch and his team, who led this division through an unprecedented pandemic," said Jacky Wu, Chief Financial Officer of DigitalBridge. "This transaction marks the completion of our 'diversified to digital' transformation and further strengthens our corporate capitalization as we focus on continuing to build our industry-leading digital infrastructure platform."

"Highgate is excited to conclude another significant transaction with DigitalBridge," said Mahmood Khimji, Co-Founder and Managing Principal of Highgate. "This investment marks a meaningful commitment by Highgate to the diversified healthcare real estate space. Highgate looks forward to partnering with Aurora and the many valued employees across this business and bringing Highgate's existing operating capabilities to bear in executing on the business plan and delivering high-fidelity services."

"We are proud to have smoothly and successfully closed this transaction," said Joel Landau, Co-Founder and Managing Director of Aurora. "We look forward to leveraging our many deep relationships across the healthcare space as we join with Highgate in managing this portfolio in accordance with our core principles, focusing on clinical excellence and quality of care to achieve optimal results."

To steward this diverse portfolio, Highgate and Aurora have partnered to launch Santerre Health Investors, a new healthcare-focused investment and operating platform. Santerre will invest in healthcare-centric businesses by leveraging Highgate's investment and operational management expertise and Aurora's extensive healthcare real estate capabilities. Santerre welcomes DigitalBridge's 35-person team that has and will continue to oversee the assets being acquired by Highgate and Aurora through the Wellness Sale and will lead the platform's future growth in the space.

As previously announced on September 8, 2021, the realized value generated by the Wellness Sale is in line with the net equity carrying value of the underlying assets as of June 30, 2021 when accounting for the transfer of the \$294 million in subsidiary-level debt included in the Wellness Sale.

The parties also mutually agreed to a customary transition services agreement in which the Company will continue to provide certain services for a period of 180 days following closing. Additional details regarding the terms of Wellness Sale will be contained in a Current Report on Form 8-K to be filed by the Company with the U.S. Securities and Exchange Commission.

Barclays served as financial advisor to DigitalBridge in connection with the transaction and Sullivan & Cromwell LLP served as legal counsel. Deutsche Bank Securities Inc. served as financial advisor to Highgate and Aurora and Latham & Watkins LLP served as legal counsel.

About DigitalBridge

DigitalBridge (NYSE: DBRG) is a leading global digital infrastructure REIT. With a heritage of over 25 years investing in and operating businesses across the digital ecosystem including cell towers, data centers, fiber, small cells, and edge infrastructure, the DigitalBridge team manages a \$45 billion portfolio of digital infrastructure assets on behalf of its limited partners and shareholders. Headquartered in Boca Raton, DigitalBridge has key offices in New York, Los Angeles, London, and Singapore. For more information, visit: www.digitalbridge.com

About Highgate

Highgate is a leading real estate investment and hospitality management company with over \$15 billion of assets under management. Highgate has a 30-year track record as an investment manager, operating partner, and developer for REITs, private equity firms, sovereign wealth funds, high net worth individuals, and other institutional investors. With a particular focus in hospitality real estate, Highgate's portfolio includes over 350 owned and/or managed hotels comprising over 65,000 rooms across the United States, Europe, Latin America, and the Caribbean. Highgate's capabilities extend to adjacent real estate verticals including multifamily, short-term rentals, and diversified healthcare real estate, as well as investments in real estate-linked securities, technology platforms, and hospitality-related operating businesses. Highgate maintains corporate offices in New York, Dallas, London, Miami, Seattle, and Waikiki. For more information, visit: www.highgate.com

About Aurora

Aurora Health Network is a premier healthcare-focused investment firm managing high-performing facilities throughout the US. Through a strategic, long-term outlook, Aurora develops lasting value for both investors and the healthcare establishments within its portfolio. With an acquisition focus on skilled nursing, assisted living, rehabilitation, subacute, transitional, and other classes of healthcare facilities, Aurora partners with operators who are an established part of their community and who prioritize clinical excellence and resident care.

About Santerre

Santerre Health Investors is a new venture between Highgate and Aurora Health Network that invests in healthcare-centric real estate and operating businesses across the United States, the United Kingdom, and Continental Europe. For more information, visit: www.SanterreHealth.com

Cautionary Statement regarding Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond our control, and may cause actual results to differ significantly from those expressed in any forward-looking statement. Factors that might cause such a difference include, without limitation, whether the Company will realize any of the anticipated benefits from the Wellness Sale and other risks and uncertainties, including those detailed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021 and its other reports filed from time to time with the U.S. Securities and Exchange Commission. All forward-looking statements reflect the Company’s good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. The Company cautions investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this press release. DigitalBridge is under no duty to update any of these forward-looking statements after the date of this press release, nor to conform prior statements to actual results or revised expectations, and DigitalBridge does not intend to do so.

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