

# Starwood Real Estate Income Trust and Morningstar Properties Form Joint Venture Focused on the Self-Storage Sector



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MIAMI, Jan. 4, 2022 /PRNewswire/ -- Starwood Real Estate Income Trust, Inc. ("SREIT"), a non-listed REIT managed by a subsidiary of Starwood Capital Group ("Starwood Capital"), and Morningstar Properties, LLC ("Morningstar"), a leading owner and operator of self-storage facilities under the Morningstar Storage brand, today announced the formation of a joint venture to own and operate high-quality stabilized assets in the self-storage sector. The joint venture includes the recapitalization of 25 assets owned by Morningstar owned and managed funds, as well as a commitment of capital to continue acquiring assets in the sector under the Morningstar brand.

Ethan Bing, Managing Director at Starwood Capital, said, "We look forward to partnering with Morningstar and adding self-storage into SREIT's portfolio of assets. The sector's stable cash flows fit well with SREIT's yield and long-term hold objectives. Morningstar is a best-in-class branded operator and this partnership provides immediate scale in a fragmented sector in addition to creating a platform for substantial growth."

The seed portfolio for the newly formed venture includes 1.8 million square feet of storage space located throughout the Sun Belt region, which is experiencing significant population, employment and income growth. The storage sector has been resilient throughout the COVID-19

pandemic and continues to exhibit attractive fundamentals. The joint venture will seek to capitalize on favorable sector and regional trends through acquisition of high-quality portfolios and one-off assets.

David Benson, Morningstar's CEO, commented, "This is an exciting day for Morningstar and a testament to our success over the past 40 years in the storage sector. Combining our recognized brand and acquisition and operations expertise with Starwood's investment capabilities and financial backing creates a powerful partnership that we expect will grow considerably in the coming years."

As of November 30, 2021, the SREIT portfolio had a total asset value of \$18.2 billion across 334 properties.

Morningstar was advised by Eastdil Secured on the recapitalization of the seed portfolio and formation of this venture.

### **About Starwood Capital Group**

Starwood Capital Group is a private investment firm with a core focus on global real estate, energy infrastructure and oil & gas. The Firm and its affiliates maintain 16 offices in seven countries around the world, and currently have approximately 4,000 employees. Since its inception in 1991, Starwood Capital Group has raised over \$65 billion of capital, and currently has over \$105 billion of assets under management. Through a series of comingled opportunity funds and Starwood Real Estate Income Trust, Inc. (SREIT), a non-listed REIT, the Firm has invested in virtually every category of real estate on a global basis, opportunistically shifting asset classes, geographies and positions in the capital stack as it perceives risk/reward dynamics to be evolving. Starwood Capital also manages Starwood Property Trust (NYSE: STWD), the largest commercial mortgage real estate investment trust in the United States, which has successfully deployed over \$76 billion of capital since inception and manages a portfolio of over \$21 billion across debt and equity investments. Over the past 30 years, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises in both the private and public markets. Additional information can be found at [starwoodcapital.com](http://starwoodcapital.com).

### **About Starwood Real Estate Income Trust**

Starwood Real Estate Income Trust, Inc. is a perpetual-life, monthly NAV REIT that directly invests in high quality, stabilized, income-producing real estate. SREIT is managed by Starwood REIT

Advisors L.L.C., a subsidiary of Starwood Capital Group. For more information, please visit our website at [www.starwoodnav.reit](http://www.starwoodnav.reit).

### **About Morningstar**

Founded in 1981, Morningstar Properties is a vertically integrated fund manager , developer, owner and operator of specialty real estate assets. The company primarily focuses on self-storage and marinas, in the South and Mid Atlantic United States. Since its inception forty years ago, Morningstar Storage has been consistently recognized as one of the premier private platforms in the storage industry. Morningstar has developed, acquired and operated over 250 self-storage projects across the country, totaling in excess of 15 million square feet. A pioneer in today's expanding marina sector, Morningstar also acquires and operates marinas under the brand name Morningstar Marinas. The company is headquartered in Charlotte, NC.

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