

News Release

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**CNL COMMERCIAL REAL ESTATE ACQUIRES FORMER FOSSIL
HEADQUARTERS BUILDING**

-- CNL Commercial Real Estate continues to acquire assets in key markets --

(DALLAS) Jan 5, 2015 — CNL Commercial Real Estate, Inc., a commercial real estate services, development and investment firm based in Orlando, Florida, has acquired the former Fossil Watch Headquarters building through a joint venture investment with CenterSquare Investment Management. The acquisition includes a 190,000-square-foot office building and a 130,000-square-foot warehouse building. The buildings are located in the active Richardson submarket of Dallas, near Interstate 75 and Campbell Road. CNL Commercial Real Estate intends to immediately convert the existing warehouse into a 400-space covered parking facility, thereby increasing the parking ratio from 3 per thousand to more than 7 per thousand, making it the second highest parking ratio in the submarket. CNL Commercial Real Estate will also renovate the existing single user office building into a multitenant building with new common areas suited for creative office space.

The Richardson submarket has become a “hotbed” of activity over the past year with the relocation of State Farm’s 2-million-square-foot campus, a 115,000-square-foot relocation for Kohl’s and Raytheon’s corporate relocation.

“This will be a really cool adaptive reuse of an existing facility,” said Jimmy Grisham, managing director of CNL Commercial Real Estate. “We are going to be one of the few large blocks of contiguous space in a rapidly growing market, and will have the competitive advantages of large floor plates, high parking ratios and more than 400 covered parking spaces.”

“We love the Dallas market and are excited to make this creative acquisition,” said Pryse Elam, CNL Commercial Real Estate’s president of development and investments. “We have acquired nearly \$100 million of assets in the past six months in the Southeast and Texas and look forward to continuing to find unique, creative, off-market opportunities.”

CNL Commercial Real Estate partnered with CenterSquare Investment Management in making the acquisition.

“This investment aligns with CenterSquare’s objective of partnering with best in class local operators that have the vision and market experience to develop asset-specific business plans that create significant value enhancement upon execution. We certainly believe we have the right team members in place across the board to achieve the desired results,” said Jeffrey Reder, senior vice president for CenterSquare Investment Management.

The former Fossil headquarters building is the first acquisition for CNL Commercial Real Estate in the Dallas/Ft. Worth metroplex through its recently created CCRE Sponsor Equity Fund I, which targets investments in office, industrial and retail acquisitions across the Southeast and Texas. CNL Commercial Real Estate is targeting an additional \$150 million in acquisitions for its Sponsor Equity Fund I in 2015. CNL Commercial Real Estate will manage the building and has selected Peloton Commercial Real Estate to lease the project.

“We are excited about the opportunity to work with the CNL and CenterSquare team. Once the renovations are complete, the product being delivered will accommodate the needs of today’s tenant such as large floor plates, creative space, and high parking density. The property is well positioned within the Richardson submarket, which has become a highly desirable location for companies of all sizes due to the transportation infrastructure and strong amenity base,” said Chuck Sellers, principal with Peloton Commercial Real Estate.

CNL Commercial Real Estate aims to leverage its operating platform and geographic presence by acquiring additional assets and creating value. CNL Commercial Real Estate is based in Orlando, Florida, with offices in Charlotte, North Carolina; Jacksonville, Florida; Tampa, Florida; Miami; Dallas; Nashville, Tennessee; Atlanta; and Southern California.

About CNL Commercial Real Estate

CNL Commercial Real Estate is a full service commercial real estate company offering leasing and management, tenant representation, project management, facilities management and brokerage services, as well as a development and investment platform operating in all sectors of commercial real estate, including office, retail, industrial, multifamily, religious and educational. For more information, visit CNLCRE.com.

About CenterSquare Investment Management

CenterSquare was founded in 1987 and offers a variety of real asset strategies and products. CenterSquare manages approximately \$6.8 billion in public real estate securities through CenterSquare Investment Management, Inc. and approximately \$1.5 billion (gross) in debt and private equity real estate investments through CenterSquare Investment Management Holdings, Inc. (together referred to as “CenterSquare”), as of September 30, 2014. It manages investments for institutional investors and high net worth individuals throughout global markets and across public and private capital sectors. It is one of the investment boutiques of BNY Mellon Investment Management.

BNY Mellon Investment Management is one of the world's leading investment management organizations and one of the top U.S. wealth managers, with \$1.6 trillion in assets under management. It encompasses BNY Mellon’s affiliated investment management firms, wealth management services and global distribution companies. More information can be found at www.bnymellon.com.

About Peloton Commercial Real Estate

Dallas-based Peloton Commercial Real Estate, was founded in 2002 and is one of Texas' fastest growing commercial real estate firms specializing in providing leasing and management services to owners of commercial properties. With offices in Dallas, Fort Worth, Austin, San Antonio and Houston, Peloton leases and manages more than 30 million square feet of properties in Texas. To learn more about Peloton, visit www.pelotoncre.com.

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