

LAND and BUILDINGS

Land and Buildings Calls on Forest City Realty Trust to Form Special Committee to Evaluate Strategic Alternatives

- *Regrets Ratner control has continued at Forest City in spite of shareholders paying Ratner Family \$120 million to relinquish their shares –*
- *Land and Buildings believes formal strategic review process would produce interest from multiple credible buyers and may be an appealing alternative path to realizing at least the midpoint of the Company's net asset value disclosure of \$27 per share –*

Stamford, CT (April 25, 2017) – Today Land and Buildings Investment Management LLC (“Land and Buildings”) issued the following letter to Forest City Realty Trust’s (NYSE: FCE/A) (“Forest City”, “FCE/A” or the “Company”) shareholders:

April 25, 2017

Dear Fellow Forest City Realty Trust Shareholders:

It appears to be business as usual at Forest City despite the announcement of two new director additions. Regrettably for shareholders, that means the Ratners are maintaining their grip on Forest City and the composition of our Board of Directors. The announcement of the expected dual share collapse has not yet led to the real change required at the Company to enhance value and drive the shares to the level of Forest City’s net asset value (NAV). As a result, we believe shareholders are entitled to answers to the following questions:

- Are shareholders to believe that the Ratners have yielded any control when the two new appointees to the Board, Z. Jamie Behar and Craig Macnab, are going to be voted in by and will represent the Class B shares held by the Ratners?
- Are shareholders to believe that the two new Class B representatives on the Board, even if "independent," will not be outgunned on a 13-person Board made up of other Ratner appointees?
- Are shareholders to believe that former Class B director Kenneth J. Bacon, now reclassified as a Class A director nominee to purportedly represent the public shareholders (as was disclosed in the April 14, 2017 proxy), is not simply another Ratner representative?
- Are shareholders to believe the current Board, most of whom have overseen the Company's abject underperformance due, in our view, to a tangled web of nepotism and self-dealing, can exert proper oversight over management to execute on a strategic plan that will close the valuation gap to NAV?
- Are shareholders to believe that the current Board is representing the best interests of public shareholders when they refuse to form a special committee of independent directors to evaluate strategic alternatives despite the significant discount to NAV at which the shares continue to trade?
- Why do the Board and management appear unwilling to explore all strategic options at this time, despite numerous parties likely interested in acquiring the Company at a significant premium to

today's share price? Is it because the Ratners simply don't want to sell? Are the Ratners' interests put above those of other shareholders?

Land and Buildings calls on Forest City to immediately form a special committee of truly independent directors to fully and fairly evaluate strategic alternatives and provide some answers and reassurance to shareholders that all possible paths to maximizing shareholder value are explored. Further, such special committee should retain its own financial advisor to evaluate potential interest and ensure the Ratners or management are not improperly interfering with the process.

Forest City disclosed a NAV of \$27 per share at the mid-point in its February 2017 Investor Presentation. Any interest in the Company by a credible buyer near the midpoint of the Company's stated NAV range or higher should be fully evaluated because maximizing value today as opposed to spending several more years fixing the Company hoping to achieve similar values could be the ideal path for shareholders. We are highly confident that a formal strategic review process would produce indications of interest from credible private equity and public real estate investment trust buyers that could provide full value to shareholders.

All the best,



Jonathan Litt

Founder & Chief Investment Officer

Land and Buildings

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About Land and Buildings:

Land and Buildings is a registered investment manager specializing in publicly traded real estate and real estate related securities. Land and Buildings seeks to deliver attractive risk adjusted returns by opportunistically investing in securities of global real estate and real estate related companies, leveraging its investment professionals' deep experience, research expertise and industry relationships.

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