

LANDandBUILDINGS

Land & Buildings Delivers Letter to Liberty Property Trust Board of Directors

- *Believes the Board Should Undertake a Robust Review of Strategic Alternatives Given the Company's Substantial and Persistent Discount to Net Asset Value –*
- *Estimates Liberty's Net Asset Value to be in Excess of \$60 per Share, Representing 25%+ Upside to Current Share Price, Based on More Than \$20 Billion of Recent Comparable Transactions –*
- *Believes that Focusing on Other Priorities Ahead of Strategic Alternatives – Such as CEO Succession Planning – Could Delay Value Being Realized and Would Not Be in Best Interest of Shareholders –*

Stamford, CT, July 22, 2019 – Land & Buildings Investment Management, LLC (together with its affiliates, "Land & Buildings") today delivered the following letter to the Board of Directors of Liberty Property Trust (NYSE: LPT) ("Liberty", "LPT" or the "Company") highlighting the need for the Company to undertake a full review of strategic alternatives given the substantial and persistent discount to net asset value of Liberty's shares.

The full text of the letter follows:

Dear William Hankowsky, Thomas DeLoach, Jr., Katherine Dietze, Antonio Fernandez, Daniel Garton, Robert Gifford, David Lingerfelt, Marguerite Nader, Lawrence Raiman and Fredric Tomczyk,

Over the course of our discussions with members of the Liberty Board of Directors (the "Board") dating back to the Fall of 2018, we have repeatedly highlighted our serious concerns that Liberty shares have consistently traded at a discount to net asset value. Unfortunately, the Company's strategic plan has not served to address this valuation gap, despite all of LPT's public peers currently trading at premiums to net asset value.

As a result of this substantial discount and the high-quality industrial portfolio the Company possesses, we believe the Board should immediately undertake a robust review of strategic alternatives – particularly in light of the announcements over the past two months of more than \$20 billion of industrial assets being bought by Blackstone and Prologis in two separate large portfolio transactions. The mid 4% cap rate on the Blackstone and Prologis acquisitions suggests that the net asset value of Liberty is north of \$60 per share, a more than 25% upside from current levels. As we have discussed with several Board members, CEO Bill Hankowsky was clear in his view shortly after the Blackstone acquisition of GLP in June that Liberty's portfolio is superior in quality to the GLP portfolio.

The industrial market has enjoyed substantial asset appreciation in recent years and is highly sought after by many public and private real estate participants given the secular fundamental tailwinds driven by e-commerce. Notably, Prologis, the largest US-listed industrial REIT and buyer of a \$4 billion portfolio last week, held its earnings call on July 16th, during which Chairman and CEO Hamid Moghadam stated:

"the level and availability of high-quality portfolios is dwindling, and these portfolios are going into capital sources that are permanent and I think there is limited supply...so whenever there is an opportunity to pick up some of those assets in scale you will see us competing for those opportunities."

We expect that your response to this letter will be that the Board is executing upon its plan. However, the reality is that this plan has simply not worked – and time is running out. As such, we believe it is incumbent upon the Board, consistent with its fiduciary duties to shareholders, to immediately evaluate

the ability to close the substantial discount to net asset value through an exploration of strategic alternatives before other steps are considered – such as CEO succession planning – that could further delay appropriate value being realized.

Land & Buildings hopes that the Board will seriously consider its views and looks forward to continuing its dialogue with the Board and management to discuss the best strategies to maximize value for all shareholders.

Sincerely,

Jonathan Litt

Founder & CIO

Land & Buildings Investment Management, LLC

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