



P R E S S R E L E A S E

FOR IMMEDIATE RELEASE

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CBRE Caledon Announces Structured Equity Investment in Pattern Energy Group

TORONTO – October 11, 2019 – CBRE Caledon Capital Management Inc. (“CBRE Caledon”) announced today the signing of an agreement for a \$260 million structured equity investment in a leading U.S.-based independent renewable energy company, Pattern Energy Group Inc. (“Pattern Energy”) (NASDAQ & TSX: PEGI).

CBRE Caledon worked with Pattern Energy to structure a bespoke equity solution that provides CBRE Caledon with attractive risk-adjusted returns in the renewable energy sector while also providing Pattern Energy with competitively priced equity capital to execute their business plan. The structured equity solution includes an escalating preferred dividend from Pattern Energy and a contingent preferred dividend tied to the performance of Pattern Energy Group Holdings 2 LP (“Pattern Development”), which is a company partially owned by Pattern Energy that specializes in developing renewable energy projects.

CBRE Caledon is making the investment on behalf of a fund sponsored by the firm as well as its separately managed accounts. A number of institutional co-investors are also participating in the transaction alongside CBRE Caledon.

Pattern Energy will use the proceeds for general corporate purposes and purchasing certain operational renewable energy projects developed by Pattern Development.

The investment will offer an initial 5.625% cash yield with up to four annual escalations of 0.50% starting on the third anniversary up to a maximum of 7.625%. The equity security will

also be entitled to a percentage of distributions from Pattern Energy's stake in Pattern Development, up to a pre-defined cap.

"We are excited to be partnering with Pattern Energy and their experienced management team and are impressed by the scale, diversity and quality of their portfolio of operating renewable projects and their development track record," said Jeffrey DeBlock, Partner at CBRE Caledon. "We identified an opportunity to creatively access the renewable energy market to generate attractive risk-adjusted returns through a structured equity security that provides exposure to Pattern Energy's high-quality portfolio of operating renewable projects and Pattern Development's robust development pipeline."

"CBRE Caledon understands that infrastructure investing has a large impact on our communities, and we are committed to investing in a responsible manner that takes into account the environmental and social impacts of our investments," said Stephen Dowd, Partner, Global Head of Infrastructure at CBRE Caledon. "We are excited to complete this investment on behalf of our fund and separately managed accounts and continue to support the green shift in power production."

"This preferred stock offering with long-term institutional investors, led by CBRE Caledon, represents a strategic relationship that enables us to fund a significant growth initiative, increasing our portfolio by 13% to 4.4 gigawatts of operational capacity across 28 renewable energy facilities," said Mike Garland, CEO of Pattern Energy. "The Henvey Inlet and Grady acquisitions are accretive with each facility characterized by strong cash flow profiles that are backed by long-term power contracts with investment-grade offtakers. The preferred stock offering maintains our conservative capital structure with a form of attractively priced permanent capital that funds growth without the need to issue new common equity."

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About CBRE Caledon

CBRE Caledon Capital Management Inc. ("CBRE Caledon") is a leading infrastructure and private equity solutions provider. We create long-term value for clients by accessing and managing high-quality investment opportunities and building comprehensive infrastructure and private equity portfolios. Today, our dedicated team of 50 professionals represents over \$9.8 billion on behalf of institutional investors globally. CBRE Caledon is a separate business unit within CBRE's independently operated investment management subsidiary, CBRE Global Investors. For more information about CBRE Caledon, please visit www.cbrecaledon.com.

About CBRE Global Investors

CBRE Global Investors is a global real asset investment management firm with \$106.7 billion in assets under management* as of June 30, 2019.

CBRE Global Investors is an independently operated affiliate of CBRE Group, Inc. (NYSE:CBRE). It harnesses the research, investment sourcing and other resources of the world's premier, full-service commercial real estate services and investment company for the benefit of its investors. CBRE Group, Inc. has more than 90,000 employees in more than 480 offices (excluding affiliates) worldwide. For more information about CBRE Global Investors, please visit www.cbreglobalinvestors.com.

**Assets under management (AUM) refers to the fair market value of real asset-related investments with respect to which CBRE Global Investors provides, on a global basis, oversight, investment management services and other advice and which generally consist of investments in real assets; equity in funds and joint ventures; securities portfolios; operating companies and real asset-related loans. This AUM is intended principally to reflect the extent of CBRE Global Investors' presence in the global real asset market, and its calculation of AUM may differ from the calculations of other asset managers.*

About Pattern Energy

Pattern Energy Group Inc. (Pattern Energy) is an independent power company listed on the Nasdaq Global Select Market and Toronto Stock Exchange. Pattern Energy has a portfolio of 28 renewable energy projects, including one project it has agreed to acquire, with an operating capacity of 4.4 GW in the United States, Canada and Japan that use proven, best-in-class technology. Pattern Energy's wind and solar power facilities generate stable long-term cash flows in attractive markets and provide a solid foundation for the continued growth of the business. For more information, visit www.patternenergy.com.