

For Immediate Release

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**Legg Mason and Clarion Partners Launch
Registered Real Estate Fund for Individual Investors**

New York, NY -- Oct. 16, 2019 -- Legg Mason, Inc. (NYSE: LM) announced today the launch of its first commercial real estate-focused fund designed for individual investors. The Clarion Partners Real Estate Income Fund Inc. (CPREIF) is managed by Legg Mason affiliate Clarion Partners, one of the largest U.S. pure-play real estate investment managers with over \$51 billion in total assets under management.

“CPREIF allows individuals and small institutions to access private real estate transactions that are typically only available to larger investors at significantly higher minimums,” said Brad Fryer, Managing Director, Alternative Sales for Legg Mason. “This new and innovative structure seeks to minimize the pain points historically associated with accessing private real estate products while maximizing the tax benefits. By providing exposure to a portfolio of income-producing commercial real estate and real estate-related securities at competitive fees and low investment minimums, it truly democratizes direct real estate investing.”

The majority of CPREIF’s underlying investments are expected to be in private commercial real estate, both equity and debt positions. The remainder will be invested in publicly traded real estate-related securities, cash and cash equivalents.

The fund will seek to invest in assets across the major property sectors. “We plan to target cash-flowing assets with favorable growth prospects, diversified across geographic regions,” said David Gilbert, Clarion Partners Chief Executive Officer and Chief Investment Officer.

CPREIF is a natural extension of Clarion’s institutional business, providing new investors with access to its expertise, scale and organizational stability. Established in 1982, Clarion Partners has demonstrated long-term success in executing a wide range of real estate strategies for institutional investors, each leveraging its proprietary research capabilities.

- **Scale:** Clarion’s national footprint, local knowledge and ability to conduct in-depth market research serve as the foundation of its ability to expertly source real estate investments and execute deals. Clarion has extensive industry relationships with real estate owners and operators, brokers, investment banks, commercial banks, loan originators and other intermediaries, providing access to a broad array of buyers, sellers and debt financing sources throughout the U.S.

- *Experience, integrity and credibility.* Clarion has focused exclusively on real estate investing for nearly four decades. Its management team has a proven track record gained over numerous market cycles.
- *Disciplined investment approach:* Clarion Partners' acquisition, asset management and portfolio management processes are anchored in rigorous research. Disciplined collaboration between Clarion Partners' experts enables insights across the firm to be integrated and converted into actionable investment ideas.

Western Asset Management, one of the world's leading global fixed-income managers and another Legg Mason affiliate, will manage the fund's fixed-income investments. These investments will primarily target commercial mortgage-backed securities (CMBS) and residential mortgage-backed securities (RMBS).

Designed primarily for long-term investors who are comfortable with limited liquidity, CPREIF is a non-diversified, closed-end management investment company that continuously offers its common stock. The fund is managed by Legg Mason Partners Fund Advisor (LMPFA), LLC, a wholly-owned subsidiary of Legg Mason, Inc., and is sub-advised by Clarion Partners, an affiliate of LMPFA. Western Asset, an affiliate of LMPFA and Clarion Partners, is the fund's securities sub-adviser. Hard copies of the fund's complete audited financial statements are available free of charge upon request. For more information on CPREIF, go to www.cpreif.com.

About Clarion Partners

Clarion Partners, an SEC registered investment adviser with FCA-authorized and FINRA member affiliates, has been a leading U.S. real estate investment manager for more than 37 years. Headquartered in New York, the firm has offices in major markets throughout the U.S. and Europe. With over \$51 billion in total assets under management, Clarion Partners offers a broad range of both debt and equity real estate strategies across the risk/return spectrum to its more than 350 domestic and international institutional investors. More information is available at www.clarionpartners.com.

About Western Asset Management

Western Asset Management is one of the world's leading fixed-income managers. With a focus on long-term fundamental value investing that employs a top-down and bottom-up approach, the firm has nine offices around the globe and deep experience across the range of fixed-income sectors. Founded in 1971, Western Asset has been recognized for an approach emphasizing team management and intensive proprietary research, supported by robust risk management. To learn more about Western Asset, please visit www.westernasset.com.

About Legg Mason

Guided by a mission of Investing to Improve Lives™, Legg Mason helps investors globally achieve better financial outcomes by expanding choice across investment strategies, vehicles and investor access through independent investment managers with diverse expertise in equity, fixed income, alternative and liquidity investments. Legg Mason's assets under management are \$758 billion as of May 31, 2019. To learn more, visit our [website](#), our [newsroom](#), or follow us on [LinkedIn](#), [Twitter](#), or [Facebook](#).

Investment Risks

The Fund is newly organized, with a limited history of operations. An investment in the Fund involves a considerable amount of risk. The Fund is designed primarily for long-term investors, and an investment in the Fund should be considered illiquid. Shareholders may not be able to sell their shares in the Fund at all or at a favorable price. Fixed income securities involve interest rate, credit, inflation and

reinvestment risks. As interest rates rise, the value of fixed income securities fall. High-yield bonds possess greater price volatility, illiquidity and possibility of default. The Fund's investments are highly concentrated in real estate investments, and therefore will be subject to the risks typically associated with real estate, including but not limited to local, state, national or international economic conditions; including market disruptions caused by regional concerns, political upheaval, sovereign debt crises and other factors. Asset-backed, mortgage-backed or mortgage-related securities are subject to prepayment and extension risks. The Fund employs leverage, which increases the volatility of investment returns and subjects the Fund to magnified losses if an underlying fund's investments decline in value. The Fund may use derivatives, such as options and futures, which can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance.

Liquidity Considerations

The Fund should be viewed as a long-term investment, as it is inherently illiquid and suitable only for investors who can bear the risks associated with the limited liquidity of the Fund. Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers for no more than 5% of the Fund's shares outstanding at net asset value. There is no guarantee these repurchases will occur as scheduled, or at all. Shares will not be listed on a public exchange, and no secondary market is expected to develop.

Before investing, carefully consider a Fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, at www.leggmason.com. Please read it carefully.

All investments involve risk, including loss of principal. Past performance is no guarantee of future results.

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

INVESTMENT PRODUCTS: NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

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