

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): March 20, 2020

COLONY CREDIT REAL ESTATE, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-38377
(Commission
File Number)

38-4046290
(IRS Employer
Identification No.)

515 S. Flower Street, 44th Floor
Los Angeles, CA
(Address of principal executive offices)

90071
(Zip Code)

Registrant's telephone number, including area code: (310) 282-8820

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.01 per share	CLNC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

As previously disclosed, on February 1, 2018, Credit RE Operating Company, LLC (“Company OP”, together with certain subsidiaries of Company OP from time to time party thereto as borrowers, collectively, the “Borrowers”) entered into a Credit Agreement (as amended by that certain first amendment and second amendment, the “Credit Agreement”) with JPMorgan Chase Bank, N.A., as administrative agent, and the several lenders from time to time party thereto (the “Lenders”), pursuant to which the Lenders provide a revolving credit facility in the aggregate principal amount of up to \$560.0 million as of the date hereof. A copy of the Credit Agreement, the first amendment to the Credit Agreement and the second amendment to the Credit Agreement were filed as exhibits 10.2, 10.3 and 10.4, respectively, to Colony Credit Real Estate, Inc.’s (the “Company”) Annual Report on Form 10-K filed for the year ended December 31, 2019 (“Form 10-K”) with the Securities and Exchange Commission (the “SEC”) on February 28, 2020. The material terms of the Credit Agreement are described under “Note 10 – Debt” of the Notes to Consolidated Financial Statements of the Company included in the Company’s Annual Report on Form 10-K, which descriptions are incorporated by reference herein.

As of December 31, 2019, borrowings outstanding under the Credit Agreement were \$113.5 million.

As a result of a capital draw notice issued by the Company OP on March 20, 2020, together with other prior draws of available capacity under the Credit Agreement, the Company has total borrowings of \$420 million (substantially all available capacity) under the Credit Agreement. The Company increased its borrowings as a precautionary measure in order to increase its cash position and preserve financial flexibility in light of current uncertainty resulting from the COVID-19 pandemic. The current interest rate for borrowings under the Credit Agreement is the London Interbank Offered Rate plus 2.25%. In accordance with the terms of the Credit Agreement, the proceeds from these borrowings may in the future be used for working capital, general corporate or other purposes permitted by the Credit Agreement.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On March 25, 2020, the board of directors of the Company approved the appointment of Michael J. Mazzei as Chief Executive Officer and President of the Company and Andrew E. Witt as Chief Operating Officer of the Company (transitioning from his current role as Interim Chief Executive Officer and President), in each instance, effective April 1, 2020.

The following is a brief biographical summary for each of Mr. Mazzei and Mr. Witt.

Michael J. Mazzei, age 61, will be our Chief Executive Officer and President effective April 1, 2020. Mr. Mazzei will lead and oversee Colony Credit Real Estate operations, including investment and credit risk, capital raising and relationship management activities among stockholders, clients, partners, financing counterparties, research analysts and rating agencies.

Mr. Mazzei has served as a member of the board of directors of Ladder Capital Corp since June 2017. Previously, Mr. Mazzei served as President of Ladder Capital from June 2012 through June 2017. From September 2009 to June 2012, Mr. Mazzei served as Global Head of the CMBS and Bank Loan Syndication Group at Bank of America Merrill Lynch. Prior to that, Mr. Mazzei served as Co-Head of CMBS and Commercial Real Estate Debt Markets at Barclays Capital from March 2004 to June 2009. Prior to Barclays Capital, Mr. Mazzei spent 20 years at Lehman Brothers, including 18 years in commercial real estate finance-related functions. Having started in commercial mortgage trading in 1984, Mr. Mazzei became the head of CMBS in 1991 and served as the Co-Head of Global Real Estate Investment Banking from March 2002 to February 2004.

Mr. Mazzei received a B.S. from Baruch College and a J.D. from St. John’s University School of Law, and is a graduate of the New York University Real Estate Institute.

Andrew E. Witt, age 42, will be our Chief Operating Officer effective April 1, 2020. From February 29, 2020 until his appointment as Chief Operating Officer, Mr. Witt served as our Interim President and Chief Executive Officer. In addition, Mr. Witt is Managing Director and Chief Operating Officer of Global Credit at Colony Capital, Inc. In his roles at Colony Capital, Mr. Witt is primarily focused on credit related operations and initiatives, including product development, investor relations and marketing of private offerings globally. Prior to taking on this most recent role he served as an investment professional responsible for the identification, evaluation, and consummation of real estate related investments. Mr. Witt also served as an Executive Vice President of Colony American Homes where he was responsible for overseeing investments in single family residential property which culminated in the acquisition of nearly 20,000 homes.

Prior to joining the Colony Capital business in 2007, Mr. Witt founded and managed a business in the industrial medicine sector. Mr. Witt received his Master of Business Administration from the University of Southern California and Bachelor of Arts in International Relations with a focus on International Economics from Stanford University. Mr. Witt was also a member of the 2000 U.S. Men's Volleyball Olympic Team.

Item 7.01. Regulation FD Disclosure.

On March 26, 2020, the Company issued a press release announcing the matters described in Item 5.02 above and other information. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein solely for purposes of this Item 7.01 disclosure.

The information included in this Current Report on Form 8-K under this Item 7.01 shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Cautionary Statement Regarding Forward-Looking Statements

This Current Report on Form 8-K may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond our control, and may cause actual results to differ significantly from those expressed in any forward-looking statement. Among others, the following uncertainties and other factors could cause actual results to differ from those set forth in the forward-looking statements: operating costs and business disruption may be greater than expected; uncertainties regarding the ongoing impact of the novel coronavirus (COVID-19) and its adverse impact on the real estate market, the economy and our investments; the Company's operating results may differ materially from the information presented in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as well as in the Company's other filings with the Securities and Exchange Commission; the fair value of the Company's investments may be subject to uncertainties; the Company's use of leverage could hinder its ability to make distributions and may significantly impact its liquidity position; given the Company's dependence on its external manager, an affiliate of Colony Capital, Inc., any adverse changes in the financial health or otherwise of its manager or Colony Capital, Inc. could hinder the Company's operating performance and return on stockholder's investment; the ability to realize substantial efficiencies as well as anticipated strategic and financial benefits, including, but not limited to expected returns on equity and/or yields on investments; adverse impacts on the Company's liquidity, including its ability to continue to generate liquidity from sales of Legacy, Non-Strategic assets; the Company's ability to liquidate its Legacy, Non-Strategic assets within the projected timeframe or at the projected values; the timing of and ability to deploy available capital; the Company's ability to maintain or grow the dividend at all in the future; the timing of and ability to complete repurchases of the Company's stock; the ability of the Company to refinance certain mortgage debt on similar terms to those currently existing or at all; whether Colony Capital will continue to serve as our external manager or whether we will pursue another strategic transaction; and the impact of legislative, regulatory and competitive changes. The foregoing list of factors is not exhaustive. Additional information about these and other factors can be found in Part I, Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as well as in the Company's other filings with the Securities and Exchange Commission.

We caution investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this Current Report on Form 8-K. The Company is under no duty to update any of these forward-looking statements after the date of this Current Report on Form 8-K, nor to conform prior statements to actual results or revised expectations, and the Company does not intend to do so.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated March 26, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL Document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 26, 2020

COLONY CREDIT REAL ESTATE, INC.

By: /s/ David A. Palamé
David A. Palamé
General Counsel and Secretary



**Colony Credit Real Estate, Inc. Announces
Michael J. Mazzei as Chief Executive Officer and President
COVID-19 and Liquidity Management Updates**

LOS ANGELES, March 26, 2020 – Colony Credit Real Estate, Inc. (NYSE: CLNC) (“Colony Credit Real Estate” or the “Company”) announced today that effective April 1, 2020, Michael J. Mazzei will be appointed Chief Executive Officer and President of the Company, exclusively committed to the Company’s business and operations. Effective April 1, 2020, Andrew E. Witt will transition to Chief Operating Officer of the Company, previously serving as Interim Chief Executive Officer and President.

Mr. Mazzei commented, “I look forward to joining Colony Credit Real Estate and the team to immediately engage with our borrower, partner and client relationships as well as re-engage with banking and financial institutions and their teams, with whom I’ve built close professional relationships over the years. It has been a privilege to be associated with Ladder Capital for these past 8 years. I thank their employees and directors for greatly contributing to my experience and wish them continued success.”

Thomas J. Barrack, Jr., Executive Chairman of Colony Capital, Inc., the Company’s external manager stated, “We are delighted to have Mike join Colony and utilize his 35+ years of experience, knowledge of navigating through cycles, and strong executive leadership in the commercial real estate finance and mortgage REIT business at Colony Credit Real Estate.” Mr. Barrack continued “On behalf of Colony Capital and the Company, our thoughts are with everyone affected by COVID-19 and we express our deepest gratitude to healthcare workers and others supporting the fight against this global pandemic. In light of current events and uncertainty in the global markets, we want to highlight that management’s priorities right now are focused on our customer relationships and stockholders, as well as daily efforts to preserve financial flexibility, take precautionary measures to support the balance sheet and business, and support our government and regulators as they navigate solutions to support the American economy through this delicate period.”

With respect to historical portfolio management efforts:

- In November 2019, the Company completed a substantial reassessment and bifurcated its assets between a Core Portfolio and Legacy, Non-Strategic Portfolio.
- The Company promptly began and continues asset resolutions from the Legacy, Non-Strategic Portfolio, providing an embedded capital source for the Company.
- In the fourth quarter of 2019, the Company closed a \$1 billion CRE CLO, selling \$840 million of investment grade notes, which refinanced approximately \$770 million of previously partial recourse repurchase facility indebtedness to non-recourse financing through the CLO issuance.
- As of December 31, 2019, the total borrowing under our senior loan repurchase indebtedness was \$780 million.

Given recent events relating to COVID-19, the Company notes the following:

- As a result of these efforts and drawing capital under the corporate line of credit as an additional precautionary measure, the Company today has approximately \$325 million of available liquidity between cash on hand and the Company’s corporate revolving credit facility.
- As of December 31, 2019, the Company’s exposure to CRE CMBS securities was approximately 6.5% of the Company’s total book value and 8% of the book value of the Company’s Core Portfolio. The market value of our CMBS securities has been negatively impacted by current events and recent illiquidity. As of March 26, 2020, the approximately \$201 million of repurchase financing on such CMBS Securities is collateralized by both investment grade-rated bonds (\$158 million obligation) and non-investment grade-rated bonds (\$43 million obligation), in addition to approximately \$56 million of cash collateral.
- With respect to the Company’s repurchase financing on both CMBS securities and senior loan collateral, the Company is actively reviewing its portfolio with its relevant banking counterparties and has received and timely paid margin calls.
- Investment and portfolio management team members together are maintaining frequent communications with our borrowers, tenants and client relationships.

For further explanation regarding the Company’s business, portfolio and earnings, see the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as well as the Company’s other filings with the Securities and Exchange Commission.

About Michael J. Mazzei

Michael J. Mazzei will serve as our Chief Executive Officer and President. Mr. Mazzei will lead and oversee Colony Credit Real Estate operations, including investment and credit risk, capital raising and relationship management activities among stockholders, clients, partners, financing counterparties, research analysts and rating agencies.

Mr. Mazzei has served as a member of the board of directors of Ladder Capital Corp since June 2017. Previously, Mr. Mazzei served as President of Ladder Capital from June 2012 through June 2017. From September 2009 to June 2012, Mr. Mazzei served as Global Head of the CMBS and Bank Loan Syndication Group at Bank of America Merrill Lynch. Prior to that, Mr. Mazzei served as Co-Head of CMBS and Commercial Real Estate Debt Markets at Barclays Capital from March 2004 to June 2009. Prior to Barclays Capital, Mr. Mazzei spent 20 years at Lehman Brothers, including 18 years in commercial real estate finance-related functions. Having started in commercial mortgage trading in 1984, Mr. Mazzei became the head of CMBS in 1991 and served as the Co-Head of Global Real Estate Investment Banking from March 2002 to February 2004.

Mr. Mazzei received a B.S. from Baruch College and a J.D. from St. John's University School of Law, and is a graduate of the New York University Real Estate Institute.

About Colony Credit Real Estate, Inc.

Colony Credit Real Estate (NYSE: CLNC) is one of the largest publicly traded commercial real estate (CRE) credit REITs, focused on originating, acquiring, financing and managing a diversified portfolio consisting primarily of CRE senior mortgage loans, mezzanine loans, preferred equity, debt securities and net leased properties predominantly in the United States. Colony Credit Real Estate is externally managed by a subsidiary of leading global real estate and investment management firm, Colony Capital, Inc. Colony Credit Real Estate is organized as a Maryland corporation that elected to be taxed as a REIT for U.S. federal income tax purposes commencing with our initial taxable year ended December 31, 2018. For additional information regarding the Company and its management and business, please refer to www.clncredit.com.

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Investor Relations

Colony Credit Real Estate, Inc.
Addo Investor Relations
Lasse Glassen
310-829-5400