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Shorenstein Properties Closes Purchase of Two New York Office Buildings

SAN FRANCISCO, Calif (June 30, 2008) – Shorenstein Properties LLC, a leading sponsor of private real estate investment funds, and owner, developer and operator of office properties throughout the United States, has completed the purchase of a 94 percent controlling interest in the entity that owns Park Avenue Tower and 850 Third Avenue in New York City. Terms of the transaction were not disclosed.

Park Avenue Tower, located at 65 East 55th Street between Park and Madison Avenues, is a 615,857 square foot office building that is currently 97 percent leased. Major tenants in the 36-story building include the law firm of Paul Hastings; hedge fund managers Davidson Kempner Capital Management and King Street Capital Management; and private equity fund manager Oak Hill Capital Management.

850 Third Avenue, located between 51st and 52nd Streets, is a 613,664 square foot office building that is currently 92 percent leased. Major tenants in the 21-story building include cable and satellite entertainment operator, Discovery Communications; the law firm of Shearman & Sterling; and Citibank.

Commenting on the purchase, Douglas Shorenstein, Chairman and CEO of Shorenstein Properties, said, “We are pleased that we were able to execute this complex transaction in a manner that met the seller’s closing timetable and requirements. We believe that there are opportunities to enhance the value of these properties through active management, and that they compliment nicely our existing New York City portfolio.”

Shorenstein Properties made the purchase on behalf of its ninth investment fund, Shorenstein Realty Investors Nine, L.P., a \$2.062 billion private commingled fund formed in the spring of 2007. Shorenstein's New York City portfolio is comprised of over 4.1 million square feet of equity ownership interests in Park Avenue Tower, 850 Third Avenue, 125 Park Avenue, and The Starrett Lehigh Building and over \$500 million of subordinated debt interests in 660 Madison Avenue, 650 Madison Avenue, 1180 Avenue of the Americas, 450 Lexington Avenue and 14 Wall Street.

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About Shorenstein Properties LLC:

San Francisco-based Shorenstein Properties LLC (www.shorenstein.com) is one of the oldest and most successful private real estate investment companies active throughout the United States in the acquisition, development, ownership and management of office and mixed-use properties. Since its beginning in 1924, the company has evolved from a regional real estate operating company to an active national investor and manager of commingled institutional capital. Since 1992, Shorenstein has sponsored nine closed-end real estate investment funds. Shorenstein's substantial co-investment, integrated investment and operating strategy, and strong performance have positioned the company as an experienced leader in the value-added arena.