



## **Shorenstein Properties and SKS Investments close purchase of South San Francisco business park and marina**

SAN FRANCISCO, CA (July 18, 2008) – A joint venture between two San Francisco-based investors, Shorenstein Properties LLC and SKS Investments, closed on the purchase of Oyster Point Business Park and Oyster Cove Marina, a six-building flex/industrial property with adjacent 235-berth marina in South San Francisco. The seller was Shelton Corporation advised by NAI BT Commercial Investment Services Group. Terms of the transaction were not disclosed.

The business park, which is currently 88 percent leased, consists of six single story buildings totaling 404,215 square feet. The buildings were constructed between 1982 and 1984 and the marina was built in 1982. The 34.34-acre property sits on Oyster Point Boulevard and is one mile east of Highway 101 and 1.5 miles north of San Francisco International Airport. The property is situated along 1,650 feet of waterfront with unobstructed views of the San Francisco Bay. In addition to existing public transit options along Oyster Point Boulevard, an adjacent ferry terminal is under construction and service is expected to begin by late 2009.

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.

Commenting on the purchase, Douglas Shorenstein, Chairman and CEO of Shorenstein Properties, said, "As investors with a long term view, this property attracted us because of its excellent waterfront location, transit options and amenities. We believe the property affords a tremendous opportunity for our investors to enjoy stable current income over the next few years with the added long term potential of significant value creation through carefully-planned development at the appropriate time in the market."

“The City of South San Francisco is one of the premier biotechnology hubs in the United States. Shorenstein and SKS Investments look forward to working closely with the city over the next few years to realize the full potential of the property as a location attractive to a broad range of tenants while preserving the existing marina, serving the existing tenants and creating a vibrant corporate community within the city,” Shorenstein said.

Paul Stein, Managing Partner of SKS Investments, said that his firm was delighted to partner with Shorenstein on another Bay Area investment opportunity. "We are in the final stages of completing the new FibroGen headquarters in Mission Bay together and we view the redevelopment of Oyster Point as another tremendous opportunity to combine the strengths of both companies to develop another life science campus for the Bay Area," Stein said.

Shorenstein, a leading sponsor of private real estate investment funds, and owner, developer and operator of office and mixed-use properties throughout the United States, and SKS Investments, an investor, owner, manager and developer of commercial real estate in Northern California, first partnered in September 2006 to develop a 450,000 square foot life science, office and retail development at 409 and 499 Illinois Street in San Francisco’s Mission Bay. The property is leased to FibroGen and construction is expected to be completed by the fourth quarter of 2008.

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**About Shorenstein Properties LLC:**

San Francisco-based Shorenstein Properties LLC ([www.shorenstein.com](http://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.

**About SKS Investments:**

SKS Investments ([www.sksinvestments.com](http://www.sksinvestments.com)) is an investor, developer, advisor, and manager of commercial real estate properties based in San Francisco. Since its founding in 1992, SKS and its affiliates have acquired, developed and/or repositioned over two million square feet of space in multiple commercial, residential and mixed use projects. SKS focuses on projects that involve entitlement, adaptive re-use, and other value-added investment activities in complicated and evolving urban settings throughout Northern California. The firm is currently actively engaged at various stages of development in commercial office, office/lab, medical office, and mixed-use projects throughout the region.