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Shorenstein Properties Acquires Franklin Tower in Washington, D.C.

San Francisco – (March 6, 2007) – Shorenstein Properties LLC, a leading sponsor of private real estate investment funds and owner, developer and operator of office properties throughout the United States, announced the purchase of Franklin Tower, a 227,845 square foot office building with ancillary retail located at 14th and Eye Streets, N.W. in the East End submarket of Washington, D.C. The seller is KanAm Grund Kapitalanlagegesellschaft mbH. on behalf of the KanAm US-grundinvest Fonds, a German open-ended real estate fund, which was represented in the sale by Cushman & Wakefield of Washington, D.C. KanAm Group is one of Germany's leading private syndicators and asset managers. Terms of the transaction were not disclosed.

The purchase includes the 12-story Franklin Tower and a three-story subterranean, 159-stall parking garage. The property was built in 1967 and extensively redeveloped in 1991. Franklin Tower is located on Franklin Square in the heart of the city's downtown. The building is currently 92 percent leased to such tenants as the law firm of Womble, Carlyle, Sandridge & Rice, Chevron USA, AT&T, Microsoft, Shell Oil and United Technologies.

Shorenstein Properties LLC made the purchase for its eighth investment fund, Shorenstein Realty Investors Eight, L.P., formed late last year with \$1.1 billion in committed capital, including \$100 million from Shorenstein. Franklin Tower is Shorenstein's fifth purchase since 2004 in the downtown Washington, D.C. market totaling more than one million square feet of high quality office space. Other Washington, D.C. properties Shorenstein currently owns include Hamilton Square, 1111 Pennsylvania Avenue, NW, 1625 K Street, NW and 1875 K Street, NW.

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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 eight 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.