

NEWS

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For: **LOWE ENTERPRISES**

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LOWE ENTERPRISES AND O'CONNOR CAPITAL PARTNERS ACQUIRE NINE ACRES IN SANTA CLARA – PLAN 215,000-SQUARE-FOOT CLASS A OFFICE DEVELOPMENT

SAN FRANCISCO – Lowe Enterprises, in partnership with O'Connor Capital Partners, has acquired two adjacent properties totaling approximately nine acres on Scott Boulevard in Santa Clara from Deerfield Realty and Pace Properties for \$20.5 million. The sites currently are developed with two older, single-story office/R&D buildings totaling 114,000 square feet. The partnership will immediately begin seeking entitlements to redevelop the combined properties into a six-story, 215,000-square-foot Class A office building.

“Demand for quality office space is on the rise in Santa Clara. Our development will be ideally suited to meet the needs of the area’s growing businesses, offering an attractive, modern office building within the heart of Silicon Valley,” said Mike L. Sanford, senior vice president of Lowe Enterprises Real Estate Group.

It is anticipated that the building will be ready for occupancy in mid 2009. “Continued solid job growth and business expansion from a variety of industries including biotechnology, defense, hardware and software companies are creating demand for top-tier office properties in the South Bay,” noted Marty Caverly, principal of O'Connor Capital Partners.

The properties at 3240 – 3250 Scott Boulevard, one of the area’s main thoroughfares, are located just two blocks from Highway 101 and minutes from the San Jose Airport. The building will have freeway and signage visibility from Highway 101.

Lowe Enterprises will lead the entitlement, planning and construction for the new development. The company has engaged Korth Sunseri Hagey Architects and The Guzzardo Partnership to develop an initial site plan and conceptual design. An attractive façade with abundant glass and a gracious, landscaped circular drive will create a distinctive presence on the street. The interior will feature 36,000-square-foot floor plates allowing for flexible and efficient office configurations, an inviting lobby and public spaces designed with modern finishes for a sleek contemporary look. CB Richard Ellis has been selected as the leasing broker for the property.

Lowe Enterprises is actively expanding its commercial property portfolio in the San Francisco Bay Area, and with the addition of Scott Boulevard, Lowe will control nearly one million square feet of office space in different phases of development.

The firm recently acquired the 270,000-square-foot San Mateo Executive Park, in partnership with O'Connor Capital. In San Francisco, Lowe is currently under construction on a 300,000-square-foot building in Mission Bay, which will be ready for occupancy in early 2008. The company also was selected by AEGON to spearhead the entitlement of a residential high-rise located adjacent to the landmark Transamerica Pyramid.

About O'Connor Capital Partners

O'Connor Capital Partners is a privately held, independent real estate investment firm focused on principal investing through private equity funds. O'Connor concentrates its efforts on making direct investment in high-quality assets in major metropolitan markets in North America and Europe. Over the past 20 years, the firm has acquired or developed more than \$10 billion of property on behalf of various investment funds, institutional clients and its own account, encompassing all major property types. The firm is headquartered in New York with regional offices in Los Angeles, Mexico City, London, Milan and Luxembourg.

About Lowe Enterprises

Los Angeles-based Lowe Enterprises is a leading national real estate investment, development and management firm. Over the past 35 years, it has developed, acquired or managed more than \$8.5 billion of real estate assets nationwide. The firm is currently developing nearly seven million square feet of commercial projects nationwide. Through its investment management affiliate, the firm currently manages in excess of \$3 billion in real estate assets on behalf of investment clients. In addition to its Los Angeles headquarters, Lowe Enterprises maintains regional offices in Denver, Irvine, Phoenix, San Francisco, Sacramento and Washington D.C.

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