



LOWE ENTERPRISES INVESTORS ACQUIRES THREE OFFICE BUILDINGS AT PHOENIX GATEWAY CENTER

PHOENIX – June 18, 2015 – Lowe Enterprises Investors (LEI) has acquired three office buildings totaling 437,603 square feet at the Phoenix Gateway Center in joint venture with an investment client. Phoenix Gateway Center is a Class A, five building, office complex located in the North Airport/44th Street corridor area of Phoenix.

“The Phoenix Gateway buildings fit well with our acquisition strategy focusing on office properties in growth areas that can benefit from capital improvements, re-tenanting and/or repositioning,” said Bradford W. Howe, co-CEO of LEI. “Phoenix is an improving market with healthy job growth, occupancies and rental increases-- attributes that we look for in areas we target for investment.”

LEI acquired the four-story, 107,755-square-foot Gateway I, four-story, 107,963-square-foot Gateway II and 11-story, 221,885-square-foot Gateway III buildings that all include both structured and surface parking. LEI plans to refresh and improve the properties including common areas and public spaces with particular focus on the generous outdoor plazas, adding new landscaping, comfortable seating, tables and shade structures to make the spaces more inviting and attractive for informal meetings, lunch or relaxation.

Overall occupancy across the three buildings is 94 percent and features a diverse group of tenants that includes State Farm, Health Choice, Mesa Air and DirecTV. Tenants enjoy a variety of onsite amenities including a fitness center, conference center and café as well as numerous restaurants and shops within easy walking distance. A key benefit is its location just two blocks from the metro light rail and the new PHX Skytrain, an above-ground rail line offering direct access to the Phoenix Sky Harbor International Airport just one mile away. In addition, the property offers convenient access to four major freeways.

“Our Phoenix Gateway buildings offer tenants desirable amenities in an attractive campus setting with unparalleled access to the metro light rail, connecting the property to the nearby airport and soon downtown Phoenix. They are well-positioned to be competitive in the market with tenants seeking quality office space and a desirable environment,” added Andy Sands, managing director of LEI.

Peter Morgan led the acquisition team for Lowe Enterprises Investors. Barry Gable and Kevin Shannon of CBRE represented the seller, a partnership of Pearlmark/Transwestern and

Oaktree Capital. Mark McGovern and Scott Peterson of CBRE's San Diego office and Bruce Francis and Dana Summers of CBRE's Phoenix office secured financing for the transaction.

About Lowe Enterprises Investors

Lowe Enterprises Investors (LEI) provides real estate investment management services on behalf of a select list of institutional and high net worth clients and partners through individually managed accounts, commingled fund relationships and targeted investment programs. The firm has been responsible for \$7 billion in real estate assets, including commercial, hospitality and debt investments, since inception in the late 1980s. LEI has been a leading value-added investor through multiple cycles, employing equity and structured debt in its investment strategies. The firm is based in Los Angeles and is an affiliate of Lowe Enterprises, a national investment, development and management firm. Since inception in 1972, Lowe has acquired, developed or managed more than \$24 billion of real estate assets. Lowe maintains additional regional offices in Southern California, Denver, Philadelphia, Seattle and Washington, DC. For more information about LEI, please visit: www.LowelInvestors.com

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