

NEWS RELEASE

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TARGET NO LONGER A POSSIBILITY
AT ALAMEDA TOWNE CENTRE.

Alameda, California - Alameda Towne Centre today announced that after more than two years of negotiations, it has decided to give up on it's perusal of Target for their shopping center.

Target was looking to build a 135,000 sq ft podium store on the former Safeway parcel which is 5.2 acres located on the west end of Alameda Town Centre. The Planning Board had questioned the size of the store and requested that Target reduce the square footage to make it "more pedestrian friendly and more in scale with the balance of the center." The Planning Board process has been on-going for many months and there were several public meetings held related to the Target issue.

"We were at a point in our redevelopment that we decided we needed to keep the momentum moving forward. After much internal debate we chose to pursue other retailers for the former Safeway parcel." said Randy Kyte, Senior Vice President of Development for Harsch Investment Properties.

"Target was at a point where they could not reduce their store size any more without detrimentally affecting the Target prototype format and we were stalled in the deal process for a long period of time," said Mike Corbitt, General Manager for the center. "We have been working on the redevelopment of the center for over six years and needed to move on to other retailers who want to be here. We are now in talks with a couple of new prospective tenants for the former Safeway parcel," Corbitt concluded.

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Portland based Harsch Investment Properties, who has owned the 540,000 square foot shopping center formerly known as South Shore Shopping Center since 1979, is in the process of a \$85M redevelopment and is bringing in new tenants which include Old Navy, TJ Maxx, Borders, Bed Bath & Beyond, and Children's Place to name a few.

"Target is one of the best anchor stores in the entire retail industry and will do fabulous wherever they go" said Jordan Schnitzer, President of Harsch Investment Properties. "It is unfortunate that it didn't work out here at Alameda Towne Centre but I'm sure Target will land on its feet close by."

About Harsch Investment Properties

Harsch Investment Properties, headquartered in Portland with Regional offices in Seattle, San Francisco Bay Area, Sacramento, San Diego, and Las Vegas, is a privately held real estate company that acquires manages and develops properties for its own portfolio. Founded in 1952, the company currently owns and operates 130 properties in five Western states with its commercial real estate portfolio comprised of more than 20 million square feet of office, retail and industrial properties with a value in excess of over \$2.5 billion of real estate. Currently, the company has almost \$700 million under construction and development and owns and manages more than 1,500 multifamily housing units. More company information can be found by going to www.harsch.com

More about Alameda Towne Centre

www.alamedatownecentre.com