



NEWS RELEASE

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PHOTO ATTACHED

Harsch Investment Properties Purchases Avenue of Science Center
In Dynamic Carmel Mountain Ranch Sub Market

**Portland Based Real Estate Company Now Owns and Operates
Over 740,000 Square Feet in I-15 Corridor**

Portland, Oregon, August 4, 2005—The Avenue of Science Center at 15070-15110 Avenue of Science has been acquired by Harsch Investment Properties from Menlo Equities, Palo Alto, California, for the purchase price of \$24.1 million. Brian Driscoll, SIOR, John Hale, SIOR and Jay Alexander, SIOR, of Colliers International, San Diego, represented both the buyer and seller.

"This is our second acquisition in the Rancho Bernardo / Carmel Mountain Ranch sub market," said Jordan Schnitzer, president of Harsch Investment Properties. Harsch acquired the Carmel Corporate Plaza, which is located directly across the street in October of 2003. "We have been very pleased with the performance of all of our properties along Interstate 15." Other Harsch properties in the I-15 Corridor include Carroll Canyon Commerce Center on Carroll Centre Road, Kearny Mesa Business Center on Kearny Villa Road and Cabrillo Commerce Center on Kearny Mesa Road.

The three building Avenue of Science Center office industrial center totals 112,380 square feet and is located just east of Interstate 15 near the intersection of Camino Del Norte and Carmel Mountain Road. This area is known as one of San Diego's premier business environments and highly sought after places to live/work. It is currently home to neighbors like Sony, Hewlett Packard, Northrop Grumman, Nokia, St Bernard Software, Toshiba and BAE Systems. The recent completion of State Route 56, connecting Carmel Valley Road directly to the coastal communities, has increased demand for office space in the area.

Bill Rodewald, Vice President San Diego Region agrees, "This property fits nicely with our existing portfolio and particularly suits the tenant profile in the market. The synergies of our properties allow us to accommodate the varying needs of our existing tenant base and attract new tenants that have a need for multiple product types along the corridor." Currently the project is 100% occupied by Accredited Home Lenders, ID Analytics, Nolte & Associates and Trango Systems.

Carmel Mountain Ranch, a suburb of San Diego County, is part of the greater Rancho Bernardo market. San Diego County is the fourth largest county in the United States with approximately 3,000,000 people and is a major location for defense, technology, biomedical, tourism and golf industries.

Harsch Investment Properties, headquartered in Portland, Oregon, is a privately held real estate company that acquires, manages and develops properties for its own portfolio. The company currently owns and operates 130 properties in five Western states including: Oregon, Washington, California, Nevada and Arizona. Its commercial real estate portfolio is comprised of more than 18 million square feet of office, retail and industrial properties for a portfolio value in excess of \$1.8 billion. Currently, the company has over \$130 million under development and will close 2005 with over \$200 million in acquisitions. Additionally, Harsch owns and manages more than 2,000 multifamily housing units. More company information can be found by going to www.harsch.com.

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