

**Harsch Investment Properties  
Letterhead**

**News Release**

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**Harsch Investment Properties Sells  
Clay Tower Apartments to Cedar Sinai Park**

**Portland, Oregon** – Harsch Investment Properties, a privately held real estate investment and development company headquartered in Portland, Oregon today announced the sale of Clay Tower Apartments – a 17-story, 235-unit apartment complex serving low-income elderly and people with disabilities. The building opened in 1980 as the first of its kind developed in Portland under the Department of Housing and Urban Development (HUD) Section 8 contract program.

“We have been studying a variety of potential ownership alternatives over the past year that would preserve the Clay Tower Apartments as affordable housing when our current contract with HUD expired this December,” stated Jordan Schnitzer, President and CEO of Harsch Investment Properties. “We are extremely pleased to confirm that we have found the right solution with the sale of the property to a partnership affiliated with Cedar Sinai Park, a local community non-profit that has been serving the needs of the elderly since the 1920s. With this sale we can ensure the building will be preserved as subsidized housing in our community which is so important to our residents who depend on this housing and its close proximity to essential services and amenities not found outside the downtown area.”

Clay Tower Apartments is one of several property-based section 8 buildings whose long-term contracts with HUD are due to expire over the next 5-10 years. As many as 30

percent of subsidized units nationwide are set to expire in this time frame with Clay Tower being the first of 12 such properties in the Portland central city. Each of these properties were either built or substantially remodeled with HUD assistance in securing financing for the projects and by agreeing to subsidize the rents.

“This is a real milestone for our family,” added Harold J. Schnitzer, founder and chairman of Harsch. “Clay Tower was not only the first property we developed from the ground up but led to two additional properties serving the needs of the elderly and those with disabilities. While these properties are distinctly different from the broad commercial nature of our real estate portfolio, they – and particularly Clay Tower – are near and dear to our hearts.”

Within a few short weeks of its opening in 1980, the residents formed the “Civic Club” which even today serves as a gathering forum for residents’ exchange of views and social activities. Over the years, the company provided an in-house coordinator to advocate for and to assist residents with their healthcare and other non-shelter needs in addition to housing.

“Harsch is truly exceptional. I can’t think of another private entity that willingly funds a position of this type because they care that much about the people,” noted Susan Emmons, Executive Director of NW Pilot Project. “What it’s meant to the residents is that that person really goes out and brokers or links them to services they need, either as a group or individually – whether it be low-income energy assistance, transportation to get to medical appointments or simply grocery shopping excursions. This wrap-around service is what the residents appreciate so much about living at Clay Tower, having someone who is really looking out for their interests and that allows them to continue their independence for as long as possible. I truly think Harold, Arlene and Jordan really understand who lives in that building and believe they deserve to be treated with compassion and respect.”

“We feel blessed that the family has placed such confidence in Cedar Sinai Park to carry on their stewardship of this property and allow our board and staff the opportunity to expand services to seniors and those with disabilities beyond our current SW Portland campus,” added David Fuks, President and CEO of Cedar Sinai Park. “The family’s support of Cedar Sinai Park, among numerous other organizations in the community, is well known. Our goal would be to carry on their tradition of exemplary care for those less fortunate for decades to come.”

A number of public and private parties aided Harsch and Cedar Sinai Park in the successful conclusion of this transaction. Government entities included: US Department of Housing & Urban Development; the City of Portland through its Bureau of Housing and Community Development overseen by Commissioner Erik Sten, and the Portland Development Commission; the State of Oregon Department of Housing and Community Services, and the office of the Oregon State Treasurer. Private investors and lenders included MMA Financials, Wells Fargo Bank and Washington Mutual Bank. Housing advocates, such as Northwest Pilot Project, were tremendously supportive as well throughout the process.

“We could not have concluded this transaction without everyone coming to the table to make this happen,” continued Jordan Schnitzer. “It took incredible patience, perseverance and knowledge to get to this point. We are particularly indebted to Jim Winkler, a civic leader, for his spearheading this effort on behalf of Cedar Sinai Park and very grateful to the local, state and federal officials who were unwavering in their support. We hope it will serve as a model of cooperation and financing to preserve such precious housing resources.”

In the initial transition years, the Harsch operations team at Clay Tower will continue to manage the property alongside Cedar Sinai Park’s team of senior care, finance and project managers. During the next 12 months the building will undergo renovations to both its public spaces and to each of the 235 apartments.

### 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 21 million square feet of office, retail and industrial properties.

### About Cedar Sinai Park

Cedar Sinai Park, a leader in the field of services to the elderly, is best known for its operation of the Robison Jewish Home and Rose Schnitzer Manor. It serves over 300 seniors daily in residential facilities ranging from independent apartment, assisted living and extended care and provides out-patient medical care to 500 people yearly. A board of volunteer leaders works with key management to oversee an annual budget of \$13 million and the provision of services by 240 employees to over 300 residents daily.