



NEWS RELEASE

DATE: March 9, 2007

CONTACTS:

Jordan Schnitzer, President
Donna Wolf, Director of Marketing
Harsch Investment Properties
503.973.0295
donnaw@harsch.com

**Harsch Investment Properties Makes Entrance
Into Desirable I-880 Corridor with Multiple Acquisitions**

Portland, Oregon— Harsch Investment Properties, a privately-held real estate investment, development and management company headquartered in Portland, Oregon, today announced the purchase of Dowe Business Park, Union City and Polvorosa Business Park, San Leandro totaling 446,000 square feet in the San Francisco East Bay I-880 Corridor. The combined purchase price was \$64,500,000. Seller and developer of the properties was Chamberlin Associates. Erik Doyle, Robert Gilley, Steve Hermann and Doug Norton of CB Richard Ellis represented both Buyer and Seller in the transaction.

“We are excited to be acquiring two such high quality, well maintained properties. We have admired both of these properties for a number of years and look forward to owning and managing them for many more years as part of our growing Bay Area portfolio,” said Jordan Schnitzer, President and CEO of Harsch Investment Properties.

“Their location--in close proximity to the Port of Oakland, San Mateo Bridge and Interstate 880—as well as their superior quality construction and range of building types insure these properties will continue to appeal to a wide range of users,” said Nancy Gille, Senior Vice President and Bay Area Regional Manager.

Located in Union City in the I-880 Corridor, Dowe Business Park was built in 1986 - 1990 and consists of ten buildings totaling 353,763 square feet. Situated on 25 acres at the northwest corner of Alvarado Niles Road and Dowe Avenue, the office/flex, R&D and light industrial buildings vary in sizes ranging from 16,274 square feet to 53,199 square feet and benefit from its superb access to Highways 92 and 84, connecting the East Bay to the San Francisco Peninsula. All three international airports that serve the Bay Area – San Jose, Oakland, and San Francisco – are within easy driving distance.

-more-

Numerous corporations such as Abgenix, Baxter Bioscience, CIPHERGEN Biosystems, Genospectra have chosen this area as home due to its central location and the entrepreneurial environment that has made the region world famous. The property was 89% occupied at the time of sale with 37 tenants including Federal Express, NEC Tokin, Coinmach Service, Penta Biotech, Macusight, Bexel Pharmaceuticals and Fidelity National Title.

Built in 1987, Polvorosa Business Park consists of three office/flex and industrial buildings totaling 92,254 square feet. Situated on 5.6 acres just south of Davis Street at the corner of Doolittle Road and Polvorosa Avenue, the property benefits from its close proximity to I-880 Freeway, Oakland International Airport and the Port of Oakland. The property was 100% occupied at the time of sale with 13 tenants including Sutter Health, State of California, Qualguard, BridgePoint Systems, TiNi Aerospace and California Teachers Association.

Doug Norton and Conor Famulener of CB Richard Ellis will continue the leasing for both properties.

About Harsch Investment Properties

Harsch Investment Properties, headquartered in Portland, Oregon 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 1950, 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 with a value in excess of over \$2.5 billion of real estate. In 2006, the Company completed over \$200 million of acquisitions and \$160 million of development projects which set a new record high. It is currently on track for similar results in 2007. Additionally, 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 <http://www.harsch.com>.