



FOR IMMEDIATE RELEASE

Contact: Jessica Neuman / Greg Young
IDEA HALL
(714) 436-0855 ext. 31 / 25
jessica@ideahall.com / greg@ideahall.com

HAGER PACIFIC PROPERTIES ACQUIRES

FIVE-BUILDING PORTFOLIO IN DEARBORN, MICHIGAN

- **Due diligence completed in 15 days**

Newport Beach, CA and Detroit – August 28, 2006 – Hager Pacific Properties, one of the largest privately owned real estate investment firms in California, has announced its second major acquisition in the greater Detroit market, purchasing a portfolio of five buildings located in the Fairlane Commerce Park North in Dearborn, Michigan. The company acquired the properties for approximately \$10 million. Totaling 190,000 square feet, the buildings are located at 15080, 15090 and 15201 Commerce Drive North and at 15200 and 15100 Mercantile Drive, in close proximity to the Ford Motor Company world headquarters.

Hager Pacific and its partner in Detroit, Sterling Group, valued the property's quality upgrades and national tenants. Ford Motor Company occupies two of the buildings and a third is occupied by Penske Logistics.

"We are very pleased to expand our portfolio in the greater Detroit area," said Adam Milstein, managing partner of Hager Pacific Properties. "We see significant potential here and are confident that the area will continue to grow as the domestic auto business begins its recovery."

The Fairlane Commerce Center matches Hager Pacific Properties' acquisition criteria, which focuses on acquiring under-utilized properties in competitive markets. The company plans on renovating two vacant properties located on Mercantile Drive then completing the lease-up of the buildings and placing permanent financing on the property.

-MORE-

Hager Pacific Properties completed the underwriting process in just 15 days. Detroit-based property owner Sterling Group will serve as property manager.

William Bubniak and Paul DeBono of Detroit-based NAI Farbman represented both the buyer and the seller.

About Hager Pacific

As a real estate investment firm, Hager Pacific Properties is guided by a value-added investment philosophy implemented through the acquisition of under-performing, aged or environmentally impacted real estate. Its investments have become more valuable through repositioning, renovation or reuse of the property. The preferred buyer of challenging properties, Hager Pacific Properties self-funds its real estate transactions without outside capital or financing. The company's portfolio consists of more than 100 assets ranging in size from 25,000 to over one million square feet and features a wide range of product types including office buildings, research and development complexes, apartment buildings, community shopping centers, warehouses and industrial facilities, including the December 2005 purchase of the 1.2 million-square foot Gateway Industrial Center in Detroit. Hager Pacific Properties recently announced the acquisition of the \$50 million Levitt Office portfolio with properties in Chicago, Dallas and Salt Lake City and the \$90 million Arnold Portfolio industrial acquisition in Harrisburg, PA. For more information about Hager Pacific Properties, please visit www.hagerpacific.com.

###