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**Birtcher Development & Investments and Cornerstone Real Estate Advisers
Signs \$207M Lease in Paramount, CA, Believed to be
New National Record for Industrial Lease Transaction Value**

*The Kroger Co. signs 30-year lease at Birtcher Distribution Center
at Paramount; Construction Slated to Begin 1st Quarter 2008*

Irvine, CA – November 14, 2007 – Birtcher Development & Investments, in partnership with Cornerstone Real Estate Advisers, LLC., announced it has signed a \$207-million, 30-year lease with Ohio-based The Kroger Co. to occupy 100 percent of Birtcher Distribution Center at Paramount. The lease is believed to be among the largest industrial deals ever in the nation and likely represents a new national high in terms of the lease transaction value for a single industrial deal. The infill development will encompass a 551,897-square-foot warehouse and distribution center in Los Angeles County which is planned to begin construction in early 2008. Both Ralphs and Food 4 Less, two Kroger Co. supermarkets, will utilize the state-of-the-art, dry-good facility to service their Southern California stores.

“This is an opportunity that the market is unlikely to see again anytime soon because of the scarcity of land in the region,” said Shannon Hondl, senior vice president of development/acquisitions of Birtcher Development & Investments. “We expect the facility and The Kroger Co. will have a long-term positive effect on the community and the transaction speaks to the strength of the current marketplace.”

According to a Third Quarter 2007 industrial market report from CB Richard Ellis, Los Angeles County industrial vacancy rates remain low at just 1.6 percent. In addition, new space is being absorbed rapidly because there is “virtually no new land to develop and

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almost no new industrial projects going up,” according to a recent Grubb & Ellis industrial market trends report.

“This is a rare opportunity to develop an industrial property in a market with extremely high barriers to entry,” said Rob Giffin, vice president of Cornerstone Real Estate Advisers, Birtcher’s joint venture equity partner. “We’ve worked with Birtcher on several occasions and value their experience and creativity when developing quality properties in specific locations. We’re obviously very pleased to have them as a joint venture partner.”

Birtcher purchased the 26.39-acre site at 14900 Garfield, Ave. in 2005 after a two-year bidding process and has since restored a Brownfield site to commercial use. Upon completion, slated for 3rd Quarter 2008, the distribution center will be a state-of-the-art \$50-million industrial facility strategically situated within 1.5 miles of all the major transportation routes including the 91, 105 and 710 freeways, as well as rail lines connecting to the ports of Los Angeles and Long Beach.

The Kroger Co., the Cincinnati, Ohio-based parent company to several supermarket brands across the country including Ralphs and Food 4 Less, is planning the facility as a critical logistics hub. The modern distribution center will service its Ralphs and Food 4 Less stores throughout Southern California.

David Norrie, co-director of CB Richard Ellis’ Food Facilities Group along with Art Rasmussen, represented The Kroger Co., and Bob Crenshaw and Steve Sprenger of Grubb & Ellis, represented Birtcher Development & Investments.

About Birtcher Development & Investments

Since 1939, the Birtcher name has been synonymous with enduring design and creating unique business environments. Birtcher has developed more than 60 million square feet of office, industrial and retail projects throughout the Western U.S. and Southern California. Today, Birtcher Development & Investments is solely owned by Brandon Birtcher who carries on the family’s four-generation development legacy.

Birtcher currently has more than 5 million square feet of industrial and office development in planning or under construction through its Irvine, Calif. and Portland, Ore. operations. For more information, please visit www.birtcherdevelopment.com.

About Cornerstone Real Estate Advisers LLC

Cornerstone Real Estate Advisers was established in 1994 to provide private real estate equity investment management services for institutional real estate investors, including both tax-exempt and taxable institutions. Cornerstone has more than \$10 billion under management, invested or committed to core and value-added real estate investment strategies. It executes its investment management activities through separate accounts and open and closed commingled funds and it operates both in domestic private real estate markets and global, public real estate securities markets. For more information, please visit www.cornerstoneadvisers.com.

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