

**STOCKBRIDGE/MCCARTHY COOK AND RREEF
CLOSE ON 2.5 MILLION SQUARE FOOT OFFICE PORTFOLIO**

*Portfolio consists of LA's Wilshire Courtyard, Orange County's South Coast Metro Center
and SF's China Basin Landing*

FOR IMMEDIATE RELEASE

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San Francisco, CA. (SEPT. 28, 2005)—Stockbridge Real Estate Fund, LP and McCarthy Cook & Co. today announced the sale/recapitalization of their California Office Portfolio to RREEF for an undisclosed amount. The portfolio consists of three premier properties in California (Wilshire Courtyard in Los Angeles, South Coast Metro Center in Orange County and China Basin Landing in San Francisco) aggregating more than 2.5 million square feet of Class A office and retail space. The three office campuses collectively enjoy a 95% occupancy rate serving more than 150 tenants. Stockbridge invested in the portfolio in a joint venture with McCarthy Cook and Co., a Los Angeles based real estate investment and development company, in 2000.

The Los Angeles and Orange County properties are being sold to RREEF, while China Basin Landing will be recapitalized in a joint venture between McCarthy Cook and RREEF.

"We are pleased to be selling these outstanding assets to RREEF", said Terry Fancher, Managing Partner of Stockbridge Capital Partners. "Our partnership has made great strides at all of the properties over the last 5 years and we are confident that the future is bright for each of these properties."

Tom McCarthy, Co-President of McCarthy Cook noted, "We initially assembled this portfolio 8 years ago and this transaction represents the culmination of the vision we had for Wilshire Courtyard and South Coast Metro Center. We are excited about the opportunity to work with RREEF in a new joint venture to continue the transition of China Basin Landing into the Bay Area's preeminent medical research, office and technology campus.

About the properties:

Wilshire Courtyard

Constructed in 1987, Wilshire is a West Los Angeles 9-acre office campus consisting of two, granite-clad, 6-story office buildings totaling approximately 1.0 million square feet. Wilshire is located along Wilshire Boulevard within the Miracle Mile submarket, located between Century City and downtown Los Angeles. Amenities include a state-of-the-art fitness club, an on-site park with a jogging trail, and abundant 2.6 spaces per 1,000 square feet of parking located in a subterranean garage. As of June 30, 2005, Wilshire was 98% occupied.

South Coast Metro Center

SC Metro is an 809,560 square foot office campus consisting of three, 12-story, Class A office towers and a 60,000 square foot 24-Hour Fitness Center. SC Metro is located in the city of Costa Mesa just north of the 405/55 junction and minutes from the John Wayne International Airport. As of June 30, 2005, SC Metro was 95% occupied.

China Basin Landing

China Basin is a 5-acre office campus located in the Mission Bay District of San Francisco, consisting of two office buildings totaling 731,594 square feet; the six-story, 503,066 square foot Wharfside ("Wharfside") building and the three-story, 228,528 square foot Berry Street ("Berry Street") building. China Basin is adjacent to SBC Park and Mission Bay, a 303 acre site that will be home to California's \$3 billion stem cell initiative and will encompass over 5 million square feet of mixed use development

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surrounding the University of California San Francisco's ("UCSF") new 43-acre life science teaching and research campus. In August, 2005 Stockbridge and MCC secured entitlements to construct an additional 150,000 square feet of life science space at the property. As of June 30, 2005, China Basin was 95% occupied.

About Stockbridge Real Estate Fund, LP

Stockbridge Real Estate Fund, LP is a \$490 million real estate private equity fund that is managed by Stockbridge Capital Group, LLC, a real estate investment firm formed by a team of real estate professionals with extensive experience in making real estate investments, operating real estate assets and executing real estate capital market transactions. Beginning in 1994, the senior Stockbridge professionals have invested approximately \$3.4 billion in real estate and real estate related assets on behalf of Stockbridge Real Estate Fund, LP, Stockbridge Real Estate Fund II, LP and Paine Webber Group, Inc. Currently, the Stockbridge professionals manage over \$700 million of equity capital commitments for pension funds, private companies and individuals.

About McCarthy Cook & Co.

McCarthy Cook & Company is a real estate investment, management and development firm founded by Tom McCarthy and Edward Cook in 1995. During the last 10 years, the firm has completed over \$2 billion in transactions with a focus on major office and mixed-use campuses located in the primary markets of California. McCarthy Cook & Company typically acquires properties in joint ventures with major institutional real estate investors. Its transactions span the risk/reward spectrum from opportunistic development to core investments.

About RREEF

RREEF, a leading US based real estate investment manager, is a division of DB Real Estate, the real estate investment management group of Deutsche Asset Management. As of June 30, 2005 RREEF manages \$23.64 billion in pension fund real estate investments for over 399 corporate, public and international clients. Its activities include private and public market equity investments ranging from core investments to higher return/higher risk holdings, including development. RREEF has 113 property management offices nationwide and property acquisitions offices in San Francisco, Chicago and New York.