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KTR CAPITAL PARTNERS ACQUIRES 1000 CASTLE ROAD IN SECAUCUS, NJ

New York, NY- June 28, 2007- KTR Capital Partners (“KTR”) announced today that an affiliate has closed on the acquisition of 1000 Castle Road in Secaucus, NJ. The 175,000 SF multi-tenant warehouse/office facility features 24’ - 26’ clear ceiling heights and 16 exterior dock doors. Located in the Northern New Jersey submarket the building provides direct access to Manhattan via I-495 and the Lincoln Tunnel, and is within close proximity to the NJ Turnpike. The property is currently 100% leased on a long-term basis.

John P. DiCola, partner at KTR, commenting on the acquisition, “This is one of the best buildings in the meadowlands marketplace. The term remaining on the lease with Prada and the long-term stability fits well with the rest of our New Jersey portfolio, which is over 4 million SF.”

“The building stands out in a market with virtually no modern Class-A product. It was originally designed as a spec project before Prada leased the entire building soon after construction commenced in 2001. Long-term the building could easily be converted into a multi-tenant building,” stated Brian Milberg, vice president of KTR.

KTR CAPITAL PARTNERS

KTR Capital Partners is a private equity firm based in New York City that was established in November of 2004 to continue the highly successful real estate investment activities of Keystone Property Trust (formerly NYSE:KTR). Since December 1997, the KTR team has completed nearly \$3 billion of acquisitions and development. KTR is a recognized industry leader that has attracted investment capital from leading institutional investors for its first fund - Keystone Industrial Fund, L. P. - a \$500 million fund focused on value-add investments in the industrial real estate sector. The firm has offices in Suburban Philadelphia, Deerfield Beach, FL and Chicago. For further information please visit www.ktrcapital.com.