

FOR IMMEDIATE RELEASE

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**KTR CAPITAL PARTNERS ANNOUNCES ACQUISITION OF  
2800 NORTH ANDREWS AVENUE BROWARD COUNTY, FL**

**New York, NY- December 20, 2006** – KTR Capital Partners (“KTR”) announced today that an affiliate has closed on the acquisition of 2800 North Andrews Avenue in the Pompano Beach submarket of Broward County, FL. The 215,020 square foot building was acquired through a sale-leaseback transaction with U.S. Foodservice, Inc. who will continue to occupy the entire facility. The property is located within one-half mile of I-95 and also provides convenient access to the Florida Turnpike and the Sawgrass Expressway. The building contains approximately 100,000 square feet of high quality cooler and freezer space and sits on a 15 acre land parcel which provides for a potential building expansion of 50,000 square feet in the future.

Commenting on the acquisition, PJ Charlton, a Vice President at KTR stated, “This acquisition was an attractive opportunity to purchase an asset with a cold storage component located within the heart of the South Florida distribution network. We are pleased to add this building and a great tenant in U.S. Foodservice, Inc. to our growing Florida portfolio, which now exceeds 1.8 million square feet and is over 98% leased. We continue to pursue industrial acquisition and development opportunities throughout the tri-county area of Miami-Dade, Broward and Palm Beach counties.”

**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 \$2 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](http://www.ktrcapital.com)