

FOR IMMEDIATE RELEASE

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**KTR CAPITAL PARTNERS RETURNS TO INDIANAPOLIS INDUSTRIAL MARKET
WITH A 600,000 SF ACQUISITION**

New York, NY- June 12, 2007- KTR Capital Partners (“KTR”) announced today that an affiliate has closed on the acquisition of Building 105 of the Mount Comfort Commercial Park in Greenfield, IN. The recently completed cross docked facility is 594,000 SF and can be expanded by an additional 378,000 SF. The building has 32’ clear ceiling heights, ESFR sprinklers, 54 exterior dock doors with 46 additional knock out panels, and 46 available trailer stalls. Located in the East submarket of Indianapolis the property is one mile north of I-70 and within 15 minutes of downtown Indianapolis.

John P. DiCola, Partner at KTR, stated, “While this is our first acquisition in Indianapolis since transitioning to a private equity format we are quite familiar with the marketplace. As a public company (Keystone Property Trust) we owned more than 4 million square feet of industrial product in Indianapolis and this acquisition provides us with an opportunity to re-enter a market that we expect to remain a national focus for modern distribution requirements.”

“Precedent Companies has done a great job with the Mount Comfort Commercial Park and the construction of Building 105 in particular. The quality of the building along with the strong labor pool, low taxes, and easy access to I-70 is well suited for companies with either local or regional distribution needs,” Jared W. Heuer, Vice President at KTR added.

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.