

FOR IMMEDIATE RELEASE

Contact

Caroline Lannen
KTR Capital Partners
(484)530-1841
information@ktrcapital.com

**KTR CAPITAL PARTNERS ANNOUNCES NEW ADDITIONS TO THE
INVESTMENT AND ASSET MANAGEMENT TEAMS**

New York, NY- May 1, 2006 – KTR Capital Partners (“KTR”) announced today two new hires. Jared Heuer has joined the firm as a Vice President in the Investment Group and Melissa Green joined as a Leasing Coordinator in the Asset Management Group.

"We've found that our new operating and investment platform has generated enthusiasm in the industry and has enabled us to attract very talented and motivated individuals. Since the beginning of the year, we have added seven new colleagues throughout the organization," commented Robert Savage, KTR's President. "Jared and Melissa each have excellent transaction experience and they complement our existing investment and asset management teams."

Jared will be concentrating on the identification, underwriting and execution of prospective investments for KTR. Prior to joining KTR, Jared served as a Vice President for HRO Asset Management where he was part of an acquisition team responsible for over \$500 million in transactions. Before joining HRO, Jared was a Senior Associate at Healey & Baker Investment Advisors, a subsidiary of Cushman & Wakefield, where he was responsible for originating and underwriting real estate investment opportunities in North America. Jared received a Bachelor of Arts from St. Lawrence University and an MBA in Real Estate, Finance and Management from Columbia Business School.

Melissa will be focused on portfolio operations with emphasis on the firm's relationships with third-party leasing agents. Prior to joining KTR, Melissa began her career with Studley Inc. in the research department and eventually moved over to the commercial brokerage side of the business. She worked on almost 7 million square feet of deals by providing market and lease analysis as well as negotiation of terms. She is a member of The Real Estate Board of New York and New York University's Women's Real Estate Network. Melissa received her Bachelor of Science from Cornell University and is currently a candidate for a Master of Science in Real Estate from NYU.

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 visit www.ktrcapital.com.