



NEWS RELEASE

For ASB Real Estate Investments

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ASB ACQUIRES CLASS A OFFICE BUILDING IN SAN FRANCISCO'S POTRERO HILL FOR \$92.6 MILLION

San Francisco—January 15, 2015—ASB Real Estate Investments announced today the \$92.6 million acquisition of the 444 De Haro Street office building in the rapidly redeveloping Potrero Hill submarket, south of the city's financial district. The purchase from Ares Management follows ASB's acquisition last summer of 1400 16th Street, a nearby office building. Both investments were made by ASB on behalf of its Allegiance Fund, a \$4 billion core investment vehicle.

Built in 1927, recently renovated and 96% leased, 444 De Haro comprises two interconnected, two-story structures with an open-air atrium, totaling 138,430 square feet of space. Tech and media tenants have been attracted to the building's creative aesthetics and design attributes including 25-foot high ceilings, open-floor plans, large windows, skylights, and exposed ductwork.

The property is situated on a full city block in the Showplace Square/Potrero Hill submarket, one of the city's most dynamic neighborhoods with significant residential and commercial construction underway to tap increasing demand, especially by millennial workforces, for infill work-and-live environments near the city's core. The area is conveniently served by subway, street car and bus lines with direct access to nearby highways; and features a lively mix of cafes, high-end restaurants, sports bars, 24-hour fitness facilities and parks.

David Quigley, Chief Investment Officer of ASB Real Estate Investments, said: "The desirability of the property for creative tenants and the vibrancy of the local area combined to present us with an opportunity to invest in future growth in one of San Francisco's most transformative neighborhoods. Barriers to entry and significant surrounding redevelopment should strengthen the submarket's attractiveness and benefit our investment over time."

ASB Real Estate Investments currently manages six other investments in San Francisco: retail space at 200 Powell Street; office buildings at 795 Folsom, 989 Market, 1400 16th Street, and 135 Mississippi St.; and apartments at 333 Fremont St.

About ASB Real Estate Investments

ASB Real Estate Investments (ASB), a division of ASB Capital Management, LLC, is a leading U.S. real estate investment management firm, managing \$5.4 billion* in gross assets under management for over 300 institutional clients. Headquartered in Washington DC, ASB invests in major urban markets across the country, concentrating in office, multifamily, retail and industrial properties. ASB manages the ASB Allegiance Real Estate Fund, its sole vehicle for core investing; the ASB Meridian Real Estate Fund, a low-leverage value creation vehicle; and a development separate account. For more information about the company, visit www.asbrealstate.com.

* As of 9/30/2014.

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