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For Immediate Release

**JER Partners and TMG Partners Acquire
The Bayside Technology Park II from RENCO Properties**
Second Joint Portfolio Purchase in Fremont, Calif. Office Park

MCLEAN, Va. and SAN FRANCISCO (July 26, 2006) -- JER Partners, the private equity arm of the J.E. Robert Companies, and TMG Partners have purchased The Bayside Technology Park II (BTPII) Portfolio from RENCO Properties. The portfolio consists of 425,000 square feet of R&D office space contained in five buildings located in Fremont, Calif. TMG Partners, one of the San Francisco Bay Area's largest mixed-use property developers and a longstanding partner of JER, will manage the assets. The portfolio is currently 100 percent leased.

In 2005, JER and TMG also acquired the Bayside Technology Park, consisting of more than one million square feet of office space in 16 buildings, adjacent to BTPII portfolio in Fremont.

"Bayside Technology Park has a wonderful location," said Cia Buckley, president of US Funds at JER Partners. "These are attractive assets in stable areas and we believe the area's tech sector of the economy will continue to improve."

"We are pleased to be able to reintegrate The Bayside Technology Park under one ownership and management group," said Michael A. Covarrubias, chairman and CEO of TMG Partners. "The demand for R&D/office space in the area is already on the rise."

JER Partners is the private equity investment arm of J.E. Robert Companies, a real estate investment management company with more than 25 years of experience in sourcing, underwriting and managing a broad spectrum of real estate, debt products and equity investments in North America and Europe. Most of JER's investments are in office, hospitality, retail, multi-family, industrial and health care related properties. Other areas of investment include Commercial Mortgage-Backed Securities ("CMBS"), and mezzanine financing. For more information on JER, please visit www.jer.com.

TMG Partners, founded in 1984 and headquartered in San Francisco, is a full service real estate development and management company. TMG has developed more than 17 million square feet of property throughout the San Francisco Bay Area, including San Francisco, Emeryville, Novato, San Bruno, San Jose. One of the most active developers in this area in the last decade, the company has developed a variety of office, retail, residential and industrial properties, ranging from office campus and multi-story properties in urban, infill locations to mixed-use retail and single-story suburban buildings. For detailed information, visit www.tmgpartners.com.

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