

FOR IMMEDIATE RELEASE

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**KTR CAPITAL PARTNERS ACQUIRES MULTI-BUILDING INDUSTRIAL
PORTFOLIO IN SOUTH FLORIDA**

New York, NY- June 24, 2007- KTR Capital Partners (“KTR”) announced today that an affiliate has closed on the acquisition of an industrial flex/warehouse portfolio in South Florida. The properties were acquired from The Leder Group – a private real estate firm based in Boca Raton, Florida.

The total portfolio consists of approximately 665,000 square feet and is spread across 4 counties in South Florida. Nine (9) of the buildings, constituting approximately 420,000 SF are located in Palm Beach County. The remaining buildings are located in Miami-Dade, St. Lucie, and Broward Counties. The portfolio is currently 97% leased and increases KTR’s Florida portfolio to over 2.5 million square feet.

PJ Charlton, Vice President at KTR, stated, “This acquisition was a unique opportunity to acquire a portfolio of functional, in-fill buildings located along the I-95 corridor. The assets are well positioned long-term to serve the small to mid-size tenants that are an important part of the local economy. South Florida is a core market for KTR and we will continue to seek additional acquisition and development opportunities in the industrial arena.”

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.