

NEWS RELEASE

FOR IMMEDIATE DISTRIBUTION

Media Contacts:

Margy Sweeney, 312-377-7407
msweeney@chaffeegroup.com

or Jennifer Harris, 312-377-7401
jharris@chaffeegroup.com

LUTZ REAL ESTATE INVESTMENTS ACQUIRES 100 CENTRAL STATION, CLASS "A" DOWNTOWN COMMERCIAL PROPERTY IN ST. PETERSBURG, FLA.

*Retail or office uses possible for 133,279-square-foot property
in the heart of the rising 24/7 live-work-play downtown community.*

FARMINGTON HILLS, MICH. (August 2006) – Adam M. Lutz, principal, Lutz Real Estate Investments, is pleased to announce that they have acquired for \$15 million, in conjunction with the pension fund advisor Capri Capital Advisors, a 133,279-square-foot Class "A" commercial condominium in the central business district of St. Petersburg, Fla. Acquisition financing was arranged through iCap Realty Advisor's Michigan office and provided by Merrill Lynch Capital, represented by Kirk Booher. The seller was a REIT, Parkway Properties (PKY), which was represented by Trammell Crow's Dale Peterson, CCIM, of Tampa and John McRae of Orlando.

100 Central Station is one of downtown St. Petersburg's premier commercial properties, and the copper domes that top its eight stories are a recognizable component of the city's skyline. The building consists of 133,279 rentable square feet of commercial space on the first and second floors, and six floors of structured parking above. The commercial condominium association governing the property as a whole is known as South Core Condominium Association. In its entirety, the Association includes the two levels of office space that Lutz has acquired, as well as six levels of structured parking that is independently owned, (4) stories by the City of St. Petersburg and (2) stories by One Progress Plaza, which owns the adjacent Bank of America Plaza.

Originally designed as a retail and parking complex, Central Station's downtown location, flexibility, distinctive architecture and its presence in an economically booming community all contribute to its attractiveness as an investment. Accordingly, Lutz Real Estate Investments moved quickly, taking only approximately 45 days to close this

transaction, still meeting all the due diligence requirements and accommodating the institutional seller.

The 100 Central Station commercial space offers large floor plates (approximately 66,000 square feet each); 13-foot ceilings; and, large windows attractive to a diverse pool of users. Currently, the property is occupied by Progress Energy (NYSE: PGN), which converted the first two floors of the building to Class “A” office space in the late 1990s, and has a lease that expires in 2008. In early 2007, Progress Energy is moving into its new headquarters it is building just down the street. The window of time between Progress Energy’s move and the end of its lease gives the new property’s owners more than a year to reposition and market Central Station to potential users – most likely, retailers, office users, or health care organizations that will take advantage of St. Petersburg’s “new downtown.”

Under the direction of Mayor Rick Baker, St. Petersburg, the 4th-largest city in Florida and part of the nation’s 13th-largest metropolitan area, is becoming a true 24/7 live-work-play community. Housing is booming in this area, and demographics are favoring families and young singles looking for an urban experience on the water. In fact, the average age has plummeted to 39, and construction of new residential condominium towers and single family homes in the St. Petersburg area are driving unprecedented economic growth. (Of the 25,000 new ‘rooftops’ added in the Tampa/St. Petersburg area during the last four years, 3,500 of them are in St. Petersburg itself.)

From a commercial real estate point of view, the retail sector vacancy is less than 4%, and office rents have been rising for some time. (Average rents per square foot for the Tampa/St. Petersburg office market rose to \$19.19 per square foot in the second quarter, from \$18.92 in the first quarter of this year.) Companies such as Progress Energy, Talbotts, MetLife and the URS Corporation are expanding and locating in this area, both a catalyst and a result of the ongoing economic and population boom. In particular, the expansion of several area hospitals, the University of South Florida and major corporations such as Progress Energy has driven this growth.

“Central Station is one of St. Petersburg’s most visible commercial properties, and its location in the heart of the downtown core offers an ideal setting for many uses,” said Lutz, “With the new condominium towers, the BayWalk, the University of South Florida and the

many hospitals nearby, we are confident that Central Station will become an even more highly coveted downtown St. Petersburg business location than it is today.”

Lutz Real Estate Investments plans to make a significant capital investment in the property, the exact nature of which will be determined as the marketing of the property gains momentum. The new owners are bullish on the market, based not only on their experience across the Bay in Tampa (see below), but also by the encouraging commercial real estate market statistics for the area.

No stranger to the Tampa Bay area, Lutz Real Estate Investments has invested with this purchase almost \$65 million in the Tampa – St. Petersburg region in the past 12 months. Lutz also owns the Tri-County Business Park in Tampa, a 676,000 square foot, 20 building office/flex property which it acquired last year and has become a success story for the firm’s acquisition and redevelopment program. At Central Station, like at Tri-County Business Park, Lutz Real Estate Investments has selected Rubin Real Estate, Inc., as the property manager and leasing broker. For more than 30 years, Rubin has played a leadership role in every aspect of commercial real estate in the greater Tampa Bay market. Pat Kelly, President, will oversee Rubin’s operations.

“The greater Tampa Bay area is a market where we see great opportunity, particularly in the growing 24/7 live-work-play downtown areas,” explained Tony Landa, vice president of acquisitions, Lutz Real Estate Investments, “We are continuing to specifically pursue acquisitions in both Tampa and St. Petersburg as part of our overall Southeast strategy.”

About Lutz Real Estate Investments

Lutz Real Estate Investments and affiliated entities have recently acquired more than \$350 million of diversified income-producing properties and development sites located in Tampa, Atlanta, Minneapolis, Chicago, Philadelphia and several smaller markets. The principals of Lutz Real Estate Investments have been acquiring, developing and re-developing commercial and multi-family properties for more than 40 years. Lutz Real Estate Investments is actively seeking individual properties and portfolios for all property types ranging from \$20 million- \$300 million in value. The company is seeking to acquire properties that will provide entry into growth markets as well as properties that strengthen an existing relationship or provide synergies with existing assets. For potential acquisitions or investments contact Tony T. Landa, vice president, acquisitions, tlanda@lutzco.com or 248.432.3200. Information about Lutz Real Estate Investments may be viewed at lutzinvestments.com.

###