

**CONTACT:**

Christa Segalini  
Beckerman  
201-465-8021  
[csegalini@beckermanpr.com](mailto:csegalini@beckermanpr.com)

Ilene Jablonski, VP, Marketing  
Mack-Cali Realty Corporation  
732-590-1000  
[ijablonski@mack-cali.com](mailto:ijablonski@mack-cali.com)

## **Keystone Property Group and Mack-Cali Realty Corporation Acquire Curtis Center in Philadelphia for \$125 Million**

### ***Plan to Reposition Century-Old Center City Landmark into Dynamic Mixed-Use Environment Through Creation of Luxury Apartments***

**PHILADELPHIA, PA (June 9, 2014)** – Affiliates of Keystone Property Group and Mack-Cali Realty Corporation (NYSE: CLI) today announced that they jointly purchased Curtis Center, an iconic class A office and retail building overlooking Independence Hall and Washington Square Park in the heart of Center City, Philadelphia, for \$125 million. The companies purchased the landmark building in an all-cash transaction, with plans to reposition the property into a dynamic, mixed-use environment through the creation of luxury rental apartments within the building, and an enhanced pedestrian experience along the surrounding streetscape.

The transaction is the latest in a series of high-profile deals between Keystone and Mack-Cali and is reflective of the companies' current business strategies, as Keystone looks to further expand its focus on the creation of lifestyle-oriented business environments, and Mack-Cali continues to grow its multi-family rental platform.

Totaling approximately 885,000 square feet and comprising an entire city block, Curtis Center is currently home to a variety of commercial tenants, including the General Services Administration (GSA), the building's anchor tenant, along with ground-floor retailers. Keystone and Mack-Cali plan to convert approximately 90,000 square feet of existing office space within the building into 90 luxury rental apartments, with possibilities to provide additional housing as office leases expire and additional space becomes available.

"Not only is Curtis Center rich with cultural importance, but it's also perfectly aligned with our company's overarching goal to expand our regional footprint by creating exciting live-work-play spaces in dynamic markets," stated Bill Glazer, President of Keystone Property Group. "We're thrilled to have the chance transform this icon into a vibrant mixed-use environment while maintaining the historical significance of one of Philadelphia's most recognizable buildings. Our strong relationship with Mack-Cali will enable us to leverage our collective knowledge to create truly unique tenant and resident experiences."

Mitchell E. Hersh, President and Chief Executive Officer of Mack-Cali, commented, "Curtis Center offers us a keen opportunity to strengthen our multi-family presence in the heart of the growing Philadelphia housing market. Through our bold conversion strategy, this building is well-positioned to capitalize on the upside of one of the region's most exciting hubs for entertainment, culture and transit."

In addition to its luxury residential offerings, the reinvented Curtis Center will feature new corner restaurant spaces that front Walnut and Sixth Streets, complete with newly landscaped outdoor seating and unobstructed views of both Washington Square Park and Independence

National Historical Park. Consistent with the owners' approach to repositioned commercial assets, planned retail and infrastructure offerings will be designed to complement the building's central office and residential components.

Additionally, the owners plan to complete capital improvements to the property, including substantial upgrades to the elevators and renovation of the building's HVAC system, roof, façade and parking garage.

An affiliate of Keystone will manage the office and retail portions of the building, while Roseland, a subsidiary of Mack-Cali, will be responsible for the design, construction, leasing and management of the residential component.

Built between 1909 and 1920, Curtis Center originally housed Curtis Publishing, owner of groundbreaking publications such as the *Ladies' Home Journal*, *The Saturday Evening Post*, *The American Home*, *Holiday*, *Jack & Jill* and *Country Gentleman*. In the 1980's, the building underwent an approximately \$80-million renovation, including restoration of tenant spaces, common areas and building systems.

#### **About Keystone Property Group**

Keystone Property Group is a leading real estate investor and developer, with offices located in Bala Cynwyd, Pa.; Miami, Fla.; and New York, NY. Keystone also sponsors and manages a series of opportunistic real estate investment funds. Keystone creates value for its investors through development, redevelopment, financing, leasing, property management and asset management. The company has been recognized by Inc. 500 magazine, the Entrepreneurs' Forum and the Wharton Small Business Center, and several of its projects have earned "Best Real Estate Awards" from the Philadelphia Business Journal and BOMA (Chicago). For more information, please visit [www.keystonepropertygroup.com](http://www.keystonepropertygroup.com).

#### **About Mack-Cali Realty Corporation**

Mack-Cali Realty Corporation is a fully integrated, self-administered, self-managed real estate investment trust (REIT) providing management, leasing, development, construction and other tenant-related services for its class A real estate portfolio. Mack-Cali owns or has interests in 280 properties, consisting of 267 office and office/flex properties totaling approximately 31.6 million square feet and 13 multi-family rental properties containing approximately 3,900 residential units, all located in the Northeast. The properties enable the Company to provide a full complement of real estate opportunities to its diverse base of commercial and residential tenants.

Statements made in this press release may be forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can be identified by the use of words such as "may," "will," "plan," "potential," "should," "expect," "anticipate," "estimate," "continue," or comparable terminology. Such forward-looking statements are inherently subject to certain risks, trends and uncertainties, many of which Mack-Cali Realty Corporation ("MCRC") cannot predict with accuracy and some of which MCRC might not even anticipate, and involve factors that may cause actual results to differ materially from those projected or suggested. Readers are cautioned not to place undue reliance on these forward-looking statements and are advised to consider the factors listed above together with the additional factors under the heading "Disclosure Regarding Forward-Looking Statements" and "Risk Factors" in MCRC's Annual Reports on Form 10-K, as may be

supplemented or amended by MCRC's Quarterly Reports on Form 10-Q, which are incorporated herein by reference. MCRC assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise.

Additional information on Mack-Cali Realty Corporation and the commercial real estate properties and multi-family residential communities available for lease can be found on the Company's website at [www.mack-cali.com](http://www.mack-cali.com).

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