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FOR IMMEDIATE RELEASE

Keystone Property Group Announces Sale of Warehouse Facility in Allendale, Pa., After Signing Full-Building 290,000-SF Lease with Knoll, Inc.

Keystone Executes Lease-Up and Disposition Strategies for Industrial Building in \$12 Million Transaction

BALA CYNWYD, PA. (March 10, 2014) – Keystone Property Group, a leading real estate developer, manager and investor of office, industrial and mixed-use properties, today announced that it has sold a warehouse and distribution facility at 7132 Daniels Drive in Allendale, Pa., to an industrial real estate investment trust (REIT) for approximately \$12 million following the completion of a full-building, 290,000-square-foot lease at the property with Knoll, Inc.

Strategically located in one of the most sought-after distribution hubs in the Northeast, 7132 Daniels Drive consists of cross-dock warehouse, manufacturing and office space, and is just minutes from routes 78 and 100 and the Pennsylvania Turnpike. Knoll, a leading designer and manufacturer of branded furniture and textiles, signed a lease in 2013 to occupy the entirety of the building for distribution and light assembly use.

Today's announcement marks the completion of Keystone's strategy to secure a high-caliber tenant for 7132 Daniels Drive and redeploy capital from the building's sale into the company's office and mixed-use platform. A CBRE team led by Executive Vice President Michael Hines and Senior Vice President Brian Fulmara represented Keystone in the building sale.

"The lease up and sale of this building is another step in our strategy to refocus our investment platform on well located office assets where there exists significant opportunity to meet the evolving demands of the market through the creation of distinct, lifestyle-oriented business and mixed-use environments," stated Bill Glazer, President of Keystone Property Group. "In securing a credit tenant in Knoll to lease the full building, we were able to position 7132 Daniels Drive strongly among prospective investors."

Over the past seven months, Keystone has significantly expanded its regional footprint through investment in high-quality commercial assets that the company plans to reposition into dynamic, live-work-play destinations. The expansion includes a recent agreement between Keystone and Mack-Cali Realty Corporation to form various joint ventures whereby Keystone will purchase 12 office properties owned by Mack-Cali throughout Northern New Jersey, New York and Connecticut.

Last year, Keystone closed on its acquisition of 14 institutional-quality commercial office properties and three land parcels located in key suburban Philadelphia submarkets through a joint venture with Mack-Cali. That deal was followed by the purchase of 100 Independence Mall West, a 400,000-square-foot, Class A office building in Philadelphia's Central Business District, by a joint venture of Keystone, Mack-Cali and Parkway Corporation.

About Keystone Property Group

Keystone Property Group is a leading real estate developer, manager and investor of office, industrial and mixed-use properties, with offices 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.

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