

Younan Properties Acquires 50-Story Thanksgiving Tower In Dallas

Younan Properties Acquires 50-Story Thanksgiving Tower In Dallas' Cbd; Deal Marks The Largest Single-Asset Purchase For Ypi Since Company Inception 1.4 million-square-foot trophy high-rise brings YPI's Dallas assets to 6.2 million square feet nearly 10% of the city's Class A office space and its nationwide holdings to 9 million square feet.

LOS ANGELES, CA (February 20, 2007) Younan Properties, Inc. (YPI) announced today it has completed its largest single-asset acquisition since the firm's founding with the purchase of the 50-story Thanksgiving Tower, at 1601 Elm Street in Dallas' central downtown business district. The acquisition of the 1.4 million-square-foot landmark office building from seller Morgan Stanley makes Younan Properties the second largest owner of Class A office space in the state of Texas. YPI became the top office landlord in Dallas last year.

The addition of the downtown icon to its Dallas portfolio brings Younan Properties' holdings in the city to 13 prime office properties totaling 6.2 million square feet of Class A space. Nationwide, its office portfolio now encompasses 26 first-class properties totaling 9 million square feet of prime space. In 2007, YPI aims to double its 2006 acquisition activity, as it plans to invest \$2 billion to \$3 billion in commercial real estate in coming months.

With each acquisition since our founding, we have taken tremendous incremental strides in improving the quality and size of our assets, said Zaya S. Younan, Chairman and CEO of Younan Properties, Inc. With this Class A-plus office building, we've not only added the largest, most recognizable property to our portfolio in our short history; we've also positioned ourselves to purchase much larger, sought-after buildings where we will uphold our reputation for providing superior amenities and services for tenants.

Younan Properties represented itself in the acquisition. Andrew Levy, Senior Managing Director of Holliday Fenoglio Fowler LP, represented the seller, a partnership that includes Morgan Stanley.

Commenting on the firm he has worked with on numerous major transactions, Kyle Jeffers, Senior Vice President of Countrywide Financial Corporation noted that during Countrywide's numerous major transactions with YPI over the last several years, We've seen Younan Properties grow to become one of the most aggressive office landlords in the nation. They've purchased assets and have performed in some of the most challenging markets in the U.S. Younan Properties is an outstanding example of the type of client with which we seek to establish a relationship.

Built in 1982, the Thanksgiving Tower combines landmark presence and a distinctive cut-back design with a sawtooth exterior that allows for 16 corner offices on each floor. Designed by internationally-renowned architecture firm HKS, the dark blue reflective

glass high-rise is 60% occupied by long-term tenants that include Hunt Petroleum, Gardere Wynne Sewell and Comerica bank. It is named after adjacent Philip Johnson-designed Thanks-Giving Square, a non-denominational place of worship in the heart of downtown Dallas, with a courtyard, fountains and gardens that offer a serene setting for reflection.

The 50-story skyscraper is renowned for the range and quality of its amenities, which include The Tower Club, a prestigious business and social venue on the building's 48th floor, with spectacular city views. In addition, the tower features on-site retail banking, 24-hour security, an on-site convenience store and deli, direct access to the CBD tunnel system and its many restaurants and stores, and an on-site helicopter pad available for private use.

Most recently, YPI acquired Energy Square I, Energy Square II and Energy Square III in Dallas' North Central Expressway submarket, as part of its Transwestern office portfolio acquisition in the fourth quarter of 2006. Its Dallas portfolio also includes KPMG Centre in downtown Dallas, and Galleria Plaza, Lakeside Square, Four Forest Plaza, 9400 Plaza, Eighty-Eighty Central, North Central Plaza, Graystone Centre and Meridian Center in the city's suburbs.

As the company continues the ambitious acquisition campaign it launched in 2003 in Texas, Younan points to his firm's ongoing bullish outlook for Dallas. Dallas has been a great office market for us; all our properties here are outperforming others in the submarkets they're located in. Our purchase of the Thanksgiving Tower demonstrates our ongoing commitment to the Dallas office market, which has benefited from new job creation and office employment. With the significant migration of Corporate America into the city, we will continue to increase our holdings in Dallas, as well as Houston.

In addition to focusing on office markets in Texas, Younan Properties is aggressively targeting Chicago as it aims to become the nation's largest privately-held commercial real estate investment firm. Its \$1.5 billion portfolio currently includes assets in Arizona, Florida, Illinois and Texas.

Known for its detailed, hands-on approach to improving operational efficiencies while maintaining top building standards for tenants, Younan Properties' management team has more than four decades of experience in developing and managing commercial real estate in high growth markets throughout the United States. Headed by Zaya S. Younan, Younan Properties has accumulated more than \$1.5 billion in real estate holdings since its inception in 2002.

About Younan Properties, Inc.

Headquartered in Los Angeles, CA, Younan Properties, Inc., a real estate investment group, specializes in acquiring Class A office properties in high-growth markets throughout the United States. As one of the fastest growing, privately held real estate investment groups in the country, the company is especially adept at turning around

undervalued assets and maximizing the value of stabilized assets. Through the application of proprietary technologies and proactive management, Younan Properties creates immediate value. In fact, the company has delivered to its investors an average leveraged IRR of 65% on properties sold to date.

Since founding the company in 2002, Zaya S. Younan has accumulated a nine million-square-foot portfolio of well-located Class A office buildings valued at more than \$1.5 billion in key markets within Arizona, Florida, Illinois and Texas.

Additional information about Younan Properties, Inc. can be found at www.younanproperties.com.