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URBANAMERICA, LP FUND II COMPLETES GOVERNMENT LEASE WITH THE LARGEST SINGLE TENANT IN THE DOWNTOWN CORE OF SACRAMENTO

August 25, 2009 – New York, NY –Richmond S. McCoy, President & CEO of UrbanAmerica LP, announces the completion of a new ten-year lease with the US Government for 227,490 sq. ft. at UrbanAmerica’s recently acquired 1325 J Street in Sacramento. 1325 J Street was built-to-suit for the Army Corps of Engineers in the late 80’s, with additional space for the State of California. The Army Corps of Engineers is the largest single tenant in the Sacramento Downtown Core. “We are pleased to retain this anchor tenant at a time when tenant activity in most metropolitan markets is low,” says McCoy. “It is encouraging for our investors, who are primarily public and private pension plans, many of which are located in the State of California, that we were able to complete a long-term lease at a rate consistent with our pro forma for the asset.”

The building was part of a \$485 million acquisition of a 3.1 million square foot portfolio of 13 office buildings and one strategic distribution center UrbanAmerica made in December of 2008. The portfolio is 98% occupied. “This purchase was an excellent buy for our investors who are seeking core plus assets consistent with our investment strategy for Fund II,” says Richmond McCoy. “Last year we refined our targeted deals to focus exclusively on strong credit and assumable debt based on our previous success with government leased asset investments. We have a strong asset management team with extensive government experience on both sides of the table as tenants and owners. CB Richard Ellis (“CBRE”) provided the property management and leasing services to the previous owner and we felt it important to keep them in that position to ensure a smooth transition and continuity for our diversified government tenant roster.”

Since UrbanAmerica attained ownership, the last several months have been busy with lease renewal negotiations. Senior Vice President of Asset Management for UrbanAmerica, Scott Hall says, “UrbanAmerica looks forward to a long and expansive relationship with the GSA as they expand their tenancy and UrbanAmerica expands their portfolio of GSA buildings.”

The Landlord was represented by Timothy C. Hutchens, assisted by Jim King and Ali Nadimi, all of CBRE.

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UrbanAmerica, a minority-controlled, real estate private equity fund founded in 1998, is among the first registered investment advisors to participate in the revitalization of urban centers through investment of institutional capital in commercial real estate. UrbanAmerica has raised \$521 million in equity within its two funds and has acquired and developed over 5 million sq. ft. with assets valued in excess of \$2 billion. In addition, UrbanAmerica is the only urban real estate investment fund to receive three allocations of New Markets Tax Credits totaling \$152 million for investments within its target markets.

UrbanAmerica LP expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in their expectations with regard thereto or change in events, conditions, or circumstances on which any such statement is based.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy any security relating to UrbanAmerica LP or any of their funds. Any offer or solicitation may be made only through the delivery of a definitive Private Offering Memorandum and all information contained herein is qualified in its entirety by such Memorandum.

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