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DOWNTOWN LOS ANGELES REAL ESTATE BOOMS

Major Real Estate Companies To Present Investment Opportunities in Residential and Commercial Properties to New York Developers and Investors

Los Angeles (May 23, 2006) – Eli Broad, philanthropist and Founder of KB Home and SunAmerica Inc., along with leaders of major U.S. real estate and brokerage companies and prominent Los Angeles business community members described the astonishing growth in housing and strong office space market in Downtown Los Angeles during a press conference today at Metro 417 Lofts. The press conference was held in advance of the panel traveling to New York June 1 to meet with the New York community of developers and investors.

The Los Angeles Downtown Center Business Improvement District (DCBID) is hosting the program for the New York-based real estate, investment banking and development industries audience to build awareness of investment opportunities in Downtown Los Angeles.

In addition to Mr. Broad, speakers at the press conference included Tim Leiweke, President and CEO, AEG, Lew Horne, Executive Managing Director, CB Richard Ellis, Gregory M. Vilkin, President, Forest City Residential West, Bill Witte, President, The Related Companies and Los Angeles City Councilwoman Jan Perry.

Carol Schatz, President and CEO of the DCBID, said, “Downtown Los Angeles is the last great urban frontier, and as such, represents a unique opportunity for national investors. This program outlines for investors what has already happened and what will be happening in the future.”

She noted that the speakers told an exciting story of growth in residential and commercial buildings and of an unprecedented level of construction taking place in Downtown.

According to a recently published DCBID study, nearly 6,500 residential units and 32 commercial structures and public facilities have been rehabilitated or built new since 1999. Moreover, 100 projects are currently under construction or at the permitting or planning stages. The study found that more than \$12 billion alone will be invested in construction, creating nearly \$26 billion in business activity.

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In addition to the 6,500 residential units built since 1999, another 6,600 are under construction and an additional 5,700 are permitted or in plan check. The Downtown LA residential base is quickly nearing 30,000 people to create the density needed for ongoing development. The median sales price for condos in Downtown L.A. jumped an amazing 21.9% from 2004 to 2005.

Downtown leasing activity across all classes remained healthy in 2005, and outpaced the activity of 2004. Year-to-date, class "A" properties produced a more than 10.2% increase in leasing volume compared with 2004. The direct average rental was \$25.80 per square foot per year in 2005 in Downtown Los Angeles.

Two mega projects in development in Downtown L.A. are the Grand Avenue Project and L.A. Live. The first, which breaks ground in December 2006, will transform the area around the Frank Gehry-designed Walt Disney Concert Hall. This \$1.8 billion project includes residential, retail and hotel components, as well as a 16-acre park. L.A. Live, next to Staples Center, broke ground in September 2005. This \$2.5 billion regional sports and entertainment project includes a convention center hotel, restaurants and retail mixed with luxury condos. Phase 1 is scheduled for completion in late 2007.

The invitation only event in New York, entitled "Downtown Los Angeles – the Center of it all" will feature the following speakers:

- **Eli Broad**, Philanthropist, Founder KB Home and SunAmerica, Inc., Founder of The Broad Foundations, Chair of the Grand Avenue Committee, will welcome guests and speak about the importance of Downtown as the center of Los Angeles for culture and business;
- **Timothy J. Leiweke**, President and CEO, AEG, will describe L.A. Live and the Convention Center Hotel;
- **Stephen M. Ross**, Chairman and CEO, The Related Companies, will report on the Grand Avenue Project;
- **Christopher R. Ludeman**, President, U.S. Brokerage, CB Richard Ellis, will give an overview of the macro economic picture and the Downtown L.A. Office Space Sales/Leasing market;
- **Gregory M. Vilkin**, President Forest City Residential West, Inc., will describe the boom in residential development;
- **Honorable Jan Perry**, City Councilwoman, Ninth District, City of Los Angeles will speak about how the Los Angeles government helps facilitate real estate development in Downtown; and
- **Carol E. Schatz**, President and CEO, DCBID, will report on its programs to help bankers, investors and developers make investments in Downtown.

This program is sponsored in part by Broadway Real Estate Partners, LLC, a prestigious private real estate investment and management firm, headquartered in New York.

About the Downtown Center Business Improvement District

The DCBID is a coalition of property owners united in their commitment to enhance the quality of life in Downtown Los Angeles. The organization helps the 65-block central business district achieve its full potential as a great place to live, work, and play. Nearly 480 property owners provide funds to the district via a special voluntary tax assessment, which finances this outreach program.

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