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# Keystone Property Group Acquires Three New Jersey Office Properties from Mack-Cali as Part of Tri-State Area Portfolio Deal

## Properties Among Eleven to be Purchased by Keystone

BALA CYNWYD, Pa., June 23, 2014 /PRNewswire/ -- A joint venture led by Keystone Property Group today announced that it has closed on the acquisition of three New Jersey office properties for approximately \$71.6 million from Mack-Cali Realty Corporation (NYSE: CLI). Earlier this year, Keystone and Mack-Cali entered into agreements to form various joint ventures to acquire the properties as part of a larger portfolio of office properties that Mack-Cali owns throughout Northern New Jersey, New York, and Connecticut.

Reflecting the ownership's strategy for the portfolio, Keystone will reinvest in the properties through redevelopment, management and upgrades to each site. Keystone anticipates closing on the remaining properties within the Tri-State portfolio over the next several weeks. Through its partnership with Keystone, Mack-Cali will participate in value creation above certain hurdle rates, handle leasing of the portfolio, as well as share in management fees.

"As part of our continued focus on creating lifestyle-oriented, world-class work environments that support tenants in maintaining their competitive edge, we are looking forward to executing on our strategy to unlock value at these properties through capital improvements," commented Bill Glazer, President of Keystone Property Group. "The buildings within this portfolio are well located and are prime candidates for reinvestment. Through our partnership with Mack-Cali, we are strongly positioned to differentiate these properties in the market as stand-out business addresses that appeal to the needs of modern companies."

Mitchell E. Hersh, President and Chief Executive Officer of Mack-Cali, commented, "This deal is squarely in line with our corporate strategy, whereby we will leverage this transaction to redeploy capital into our growing multi-family platform. At the same time, the deal structure allows us to participate in the upside created through reinvestment in these buildings."

The three New Jersey office properties acquired in this initial closing of the transaction comprise:

- [30 Knightsbridge Road](#) in Piscataway, which consists of four interconnected buildings that total 686,316 square feet. In addition to its built-in redundant power supply systems, landlord-owned substation located on site and advanced fiber optic systems, the complex offers flexibility and a beautifully landscaped corporate setting. The property features a convenient location at Exit 8 of I-287, as well as renovated

entrances, lobby and common areas. Ownership will invest more than \$4 million to improve the property's amenities, upgrade the elevators and replace the roofs.

- [470 Chestnut Ridge Road](#) in Woodcliff Lake, a two-story, 53,730-square-foot class A office building, offering direct access to major highways including the Garden State Parkway, interstates 80 and 287, routes 4 and 17, the New York State Thruway and the Palisades Interstate Parkway. Ownership will professionally manage the property to class A standards to maintain full occupancy.
- [530 Chestnut Ridge Road](#) in Woodcliff Lake, a three-story, 57,204-square-foot class A office building, just minutes from the Garden State Parkway and numerous restaurants, retail options and business services. Ownership will enhance the HVAC and professionally manage the property to maintain full stabilization.

### **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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