



NEWS RELEASE

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## **TWO EXPERIENCED REAL ESTATE EXECUTIVES JOIN WATT COMPANIES TO LEAD ACQUISITION EFFORTS**

*John Lee and Kenneth Hira see opportunities in office and retail sectors  
despite turmoil in the credit markets*

Santa Monica, Calif. (November 17, 2008)— Signaling its intent to step-up acquisition efforts, Watt Companies has added two seasoned executives to lead the firm's acquisition activities, with a focus on office opportunities and retail development . John Lee has joined Watt Realty Advisors as Vice President with responsibility for office acquisitions and brings significant experience with major firms in California as well as Texas. Kenneth Hira joins Watt Commercial Properties to reload their development pipeline, bringing more than two decades of experience in the retail development sector.

"I am so pleased to bring on two new acquisition executives with such a depth of quality experience in the office and retail development sectors," said Jim Maginn, President and CEO of Watt Companies. "We are in acquisition mode at Watt, and John and Ken are vital players to implement our team's strategic goals. I am confident these two executives will build upon our company's 60-year track record of innovation and success."

**John Lee:** Lee joined Watt Realty Advisors to focus primarily on office acquisition opportunities in multiple target markets including the West Coast, Arizona, Texas, Florida and Georgia. He plans on bolstering the firm's current office portfolio by focusing on value-add office opportunities as well as core-plus commercial real estate investments in the \$50 - \$100 million range.

"Given the current turmoil in the commercial real estate market, there will be an amazing amount of buying opportunities in the next few years for companies with strong balance sheet positions. In markets such as Los Angeles and the Pacific Northwest, there has been a strong, constant demand for high-quality office space for a number of years, and I have no doubt this will continue into the future despite the current economic climate. I plan on bringing a very disciplined, yet aggressive approach to the firm's acquisition activity," he said.

Throughout his career, Lee has been involved with the acquisition, development and disposition of commercial properties, with an aggregate value in excess of \$1.5 billion. Prior to joining Watt, he served as Senior Vice President and West Coast acquisitions officer at Lowe Enterprises. Lee also held an executive position with the international real estate firm, Hines. At Hines he was the project manager for two large Dallas office properties and also spearheaded acquisitions in Eastern and Southern Europe. Lee also served as Vice President of Crescent Real Estate Equities in Ft. Worth, Texas, where he was responsible for acquisitions in the South, Southeast, and Northwest United States. Lee holds a Bachelor's degree in Business from the University of Washington and an MBA from Dartmouth's Amos Tuck School of Business.

**Kenneth Hira:** Hira focuses on retail development opportunities on behalf of Watt Commercial Properties. As a result of current market conditions, Hira sees the greatest retail acquisition opportunity in smaller urban shopping centers anchored by grocers and drug stores.

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"I am making a concerted effort to go 'back to the basics' in the pursuit of retail deals," Hira said. "The suburban growth model is played out at the moment, so I am seeing real opportunity in strong performing urban markets throughout the Western United States, including California and the Pacific Northwest." The acquisitions Hira is targeting consist of opportunistic development components with potential redevelopment and leasing upside, not necessarily in the short term. "I like retailers who generally sell non-discretionary goods and have continued to draw consumers despite the recent economic downturn," Hira explained.

Hira's nearly 20 years of real estate experience ranges from acquisitions, value-added redevelopment and entitlements to mixed-use development and retail tenant strategies with a valuation of over \$1 billion. Prior to joining Watt Companies, he served as an Executive Vice President for the Irvine-based mixed-use developer, Pacific Century Group, operating the commercial division of the company and managing a \$100 million retail portfolio of retail land and development projects.

He has also served as a Managing Director of Acquisitions for Westrust and the Vice President of Development for Lewis Retail Centers. Hira holds a Bachelor's degree in Economics and Business from UCLA and currently serves as the ICSC Southern California Program Committee Chair.

### **About Watt Companies**

The Watt Companies is a private, fully-integrated real estate operating and investment company involved in commercial development, homebuilding, asset management and the realization of capital investments for its shareholders, investors, partners and customers across the United States. The company is comprised of four divisions: Watt Realty Advisors, the primary new investment and acquisitions arm; Watt Commercial Properties, the management and development services group; Watt Communities, the urban infill residential development group; and Watt Services, which houses the accounting, legal, reporting and financial management activities.

In its 60-year history, Watt Companies has developed over eight million square feet of industrial and office space, built more than 50 shopping centers, three first class hotels, homes for over 100,000 families and six major master-planned communities.

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