

**PRESS RELEASE :: Essex River Ventures**

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**PRAEDIUM GROUP AND ESSEX RIVER VENTURES ACQUIRE TWO OFFICE PROPERTIES IN BOSTON FOR \$20 MILLION**

NEW YORK and BOSTON—July 1, 2004--The Praedium Group LLC, a New York City-based national real estate investment firm, and Essex River Ventures, LLC, a Boston-based real estate investment and asset management firm, announced today the acquisition of 186 Lincoln Street and 225 Friend Street in Boston for \$19.6 million, or \$154 per square foot. Occupancy at the time of sale was 89 percent.

The two buildings, totaling 127,732 square feet, are located near North Station and South Station, which serve as the two major transportation hubs for Boston's Central Business District area. 225 Friend Street, located adjacent to South Station, is a 9-story office building totaling 67,968 square feet. Built in 1904, it was fully renovated in 1986. 186 Lincoln Street, located adjacent to North Station, is an 8-story office building totaling 59,763 square feet. Built in 1913, it was fully renovated in 1985.

Gary J. Lemire, senior vice president/partner of CB Richard Ellis/Whittier Partners, represented the seller, Meridian Investment Management. Both are located in Boston.

The acquisition represents the third venture between Praedium and Essex River Ventures. Previously, the firms purchased Manor Parkway, a three building office/flex development consisting of 121,500 square feet located in Salem, New Hampshire, and Great Woods Office Park, a two-building office park totaling 57,769 square feet in Mansfield, Massachusetts.

Philip Tager, Director of the Praedium Group noted, "We believe that both properties will benefit from the long-anticipated completion of the Central Artery Project as well as other infrastructure improvements and amenities which will enhance the appeal of the North Station and South Station submarkets."

"We think this acquisition is an excellent investment for us and our joint venture partner, The Praedium Group," said John Fenton, President of Essex River Ventures. "Boston has been the center of nation's leading financial services firms, technology companies, and educational and health care institutions. It continues to lead these industries, and therefore, we see continued demand for office space in Boston."

Based in Andover, Mass., Essex River Ventures, LLC is a real estate investment and asset management firm specializing in value-oriented office, R&D and industrial properties on the East Coast. For more information, visit its website at [www.essexriverventures.com](http://www.essexriverventures.com).

The Praedium Group is a real estate investor focusing on under-performing and under-valued assets throughout North America, with \$3.5 billion in total investments to date in 1,200 assets comprised of 33 million square feet of commercial space and 28,000 multi-family units. Praedium was formed in 1991 with a leading international investment bank as its sole investor.

Building on the experience and exposure gained through this original investment program, Praedium has been a sponsor of commingled real estate private equity funds since 1994. The funds sponsored by Praedium have attracted investors that include public and corporate pension funds, financial institutions, insurance companies and endowments.

Praedium is currently investing in its most recent \$465 million real estate private equity fund, Praedium Fund V. This equity will be leveraged to acquire \$1.5 billion in properties. The fund will invest in mid-cap assets throughout the United States and Canada in the \$10 to \$70 million range, targeting multi-family, office, retail and industrial property types. For more information, please see [www.praediumgroup.com](http://www.praediumgroup.com).

