

MIAMI, FLORIDA-BASED ADLER REAL ESTATE FUND & KAWA CAPITAL MANAGEMENT ACQUIRE 467,000 SF PORTFOLIO IN HOUSTON, TEXAS

Sixteen building portfolio includes industrial, office and flex space; Purchase marks the Adler Real Estate Fund's continued growth in the Houston area.

June 5, 2012 – Miami, Florida – A joint venture between the Adler Real Estate Fund and Kawa Capital Management has purchased sixteen buildings located across five properties in Houston, Texas. The 467,000 square foot portfolio includes office, industrial and flex space located in close proximity to Houston's primary roadways, major business districts, high-end residential communities and George Bush Intercontinental Airport. Financial terms of the transaction were not disclosed.

The newly-acquired assets include:

- **Plaza Southwest:** 7302, 7350 Harwin Drive, 5601, 5750 Bintliff Drive, 5755 Bonhomme Road, Houston, TX 77036 (152,173 SF)
- **Crescent Ten:** 1304 Langham Creek Drive, Houston, TX 77084 (98,008 SF)
- **Commerce Park North:** 15621/15631 Blue Ash Drive, Houston, TX 77090 (97,332 SF)
- **Technipark Ten:** 16115/16155 Park Row, Houston, TX 77084 (71,673 SF)
- **Westchase Park:** 3120/3130 Rogerdale Road, Houston, TX 77042 (47,816 SF)

The Adler Real Estate Fund is a closed-end discretionary fund managed by Adler Group, one of Florida's largest commercial real estate firms. This is the Fund's second purchase in the Houston area within the past ten months, with the firm having acquired the 177,000 square foot Westchase Corporate Park in August 2011. Home to a portfolio of more than 640,000 square feet of mixed-use space, Houston is now Adler Group's third largest market, following Washington D.C. and South Florida.

The Adler Real Estate Fund portfolio encompasses 4.5 million square feet of space accounting for more than \$450 million in transactions. The Fund primarily targets multi-tenant, management-intensive properties in markets with strong growth potential.

Adler Group is optimistic about the commercial real estate market in Houston, with the city among the nation's leaders in job and population growth over the last several years, according to Matthew L. Adler, Adler Group's President. "Adler Fund's newly-acquired portfolio in Houston is a unique investment opportunity in one of the fastest growing markets in the country, offering a combination of prime locations, quality tenants and high occupancy rates," said Mr. Adler. "We will continue to identify viable investment targets in and around the Houston area as we set our sights on growing U.S. markets."

The Houston portfolio is 96 percent occupied and has a roster of more than 85 tenants, including Exxon Mobil, Samsung, Ryder, Schlumberger and Alford Services. It includes five parks strategically located in the North, Northwest and Southwest submarkets of the Houston metro area, with easy access to Highway 59, Beltway 8, Interstate Highway 10, George Bush Intercontinental Airport and Houston's prestigious Energy Corridor.

Mr. Adler believes the firm's expertise leasing and managing multi-tenant properties will help maximize the portfolio's value. "Each property offers a selection of suites appealing to tenants of all sizes. New tenants can choose the size and mix of office and warehouse space they need, while existing tenants are offered a menu of options to accommodate growth. This is especially attractive to tenants seeking quality office space without the high rents typical of multi-story buildings. Adler Group's experience leasing and managing similar assets in markets across the U.S. ensures we will achieve a healthy mix of users while enhancing the property," said Mr. Adler.

Adler Real Estate Fund acquired the portfolio from a joint venture between Insite Commercial Real Estate and Carval. Rusty Tamlyn of HFF represented the seller.

About the Buyers:

The Adler Real Estate Fund is a comingled, closed-end discretionary fund under the direction of Matthew Adler, the company's Chief Investment Officer. The Fund has capital in excess of \$20 million to invest in a diversified portfolio of existing multi-tenant industrial, flex, office and retail properties and other real estate and real estate-related investments located in the Southeast and Mid-Atlantic regions of the United States.

Adler Group, headquartered in Miami, Florida, and its affiliates offer a seamless network of services designed to maximize the value and strength of the organization's real estate assets. Throughout its history, Adler Group has developed and acquired in excess of 14 million square feet of industrial, office, retail and residential real estate. Today, by means of relationships with a prestigious list of institutional and private investors and nationally recognized financial lenders, the company owns and manages an extensive real estate portfolio comprised primarily of multi-tenant industrial and office properties located in strategic markets throughout the Southeastern United States. For further information, please visit www.adlergroup.com.

Kawa Capital Management is an independent asset management firm based in Miami Beach, Florida. Founded in July 2007 by Daniel Ades and Alexandre Saverin, the firm currently manages over \$300 million across different absolute return products. The firm employs a disciplined asset allocation approach with a focus on strategies that are unique and off the radar screen of larger asset managers. www.kawa.com.

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