

San Francisco-Based Stockbridge Real Estate Acquires High-End Phoenix Area Retail Center

San Francisco – June 17, 2011 – Stockbridge Real Estate (“Stockbridge”) today announced the acquisition of **DC Ranch Crossing**, an upscale, 68,113-square foot retail center in Scottsdale, Arizona. Constructed in 2008 by DMB Associates Inc., **DC Ranch Crossing** is 60% leased and is anchored by grocer AJ’s Fine Foods. Included in the purchase is an adjacent 2.35-acre land parcel. CBRE’s Phoenix office represented the seller.

Located in the North Scottsdale submarket of metropolitan Phoenix, **DC Ranch Crossing** sits at the southeast corner of Pima Road (a main thoroughfare in and out of North Scottsdale) and Legacy Boulevard, just north of the Loop 101 Freeway. The location is highly accessible, offering ingress and egress points from three streets surrounding the property. North Scottsdale is one the most affluent areas in Arizona; within a one-mile radius of the property, the median household income is \$171,000.

“This was an unmistakable opportunity to acquire high quality construction in a great location at a price well below replacement cost,” said Mark Carlson, Managing Director – West Coast Acquisitions. “We believe this market and asset are poised to perform very well and are seeking to source similar opportunities in Phoenix and other major markets of the U.S.”

The North Scottsdale retail submarket, comprising 15.5 million square feet of retail space, has embarked on a stable recovery. The submarket posted 253,645 square feet of positive absorption in 2010, per CB Richard Ellis, the strongest of any other submarket in the Phoenix metropolitan area.

Stockbridge will seek to transform **DC Ranch Crossing** into the premier neighborhood shopping center in North Scottsdale, with a full complement of shops, dining and services catering to the local community. The firm will retain Phoenix Commercial Advisors to implement a targeted marketing program for the lease up of the vacant retail space.

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About Stockbridge

Stockbridge is a real estate investment firm sponsored by major institutional investors that is actively seeking multi-family, retail, industrial and office property acquisitions in the major U.S. markets. Stockbridge and its affiliated advisor have approximately \$4.3 billion of real estate assets under management (as of March 31, 2011) spanning all major real estate property types throughout the U.S. The firm’s portfolio comprises assets across the investment risk spectrum, including core, value-added and opportunistic strategies. Stockbridge is headquartered in San Francisco with offices and personnel in Chicago, New York, Los Angeles and Atlanta. www.stockbridgerealestate.com

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