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**Harvest Properties and PGIM Real Estate  
Complete the Sale of 555 City Center in Downtown Oakland**

*Full Service Bay Area Real Estate Developer and PGIM Real Estate  
Sell Iconic Downtown Oakland Landmark*

Emeryville, Calif. (June 25, 2016) – Harvest Properties, a full service commercial real estate investment, development and management firm and partner PGIM Real Estate, formerly Prudential Real Estate Investors, announced today that they have completed the sale of 555 12<sup>th</sup> Street, commonly known as 555 City Center, in Downtown Oakland to Principal Financial Group for an undisclosed sum.

Harvest and PGIM Real Estate made their first foray in Downtown Oakland with the September 2013 purchase of 555 City Center, a twenty-story, 490,163 square foot Class-A office tower with subterranean parking set in the desired City Center complex two blocks from the 12<sup>th</sup> Street BART Station. The team immediately recognized an opportunity to purchase the trophy-quality asset at a significant discount to replacement cost, allowing them to benefit from the then-record high rental spread between Oakland and San Francisco.

Harvest and PGIM Real Estate anticipated that as the market tightened in San Francisco, tenants would ultimately look to Oakland as the choice business and residential destination, and that LEED Gold certified 555 City Center with its track record of historically enjoying the highest occupancy and largest concentration of credit tenants in the Class A market, would immediately capitalize on this migration trend. “Oakland continues to exhibit strong fundamentals on the demand side, as evidenced by its historically low vacancy rate,” said John Winther, Harvest Managing Partner. “Institutional capital has recognized that



Oakland provides an attractive investment environment now and in the future. Harvest believes that the long term fundamentals in Oakland are positive, and as such we will continue to look for investment opportunities in the market.”

Kevin R. Smith, head of Americas for PGIM Real Estate, added: “The sale of 555 City Center represents an excellent outcome for our investors, and we were extremely pleased with the value PGIM Real Estate and Harvest added to the property throughout our ownership. Oakland’s office market has enjoyed a remarkable upswing, and we expect this momentum to continue as both investors and tenants increasingly see value in high-quality assets in transit-oriented and walkable locations.” Upon acquisition, Harvest installed a best-in-class management team that placed a strong emphasis on leasing, successfully executing long-term agreements with major tenants Matson Navigation Company, IAC Search & Media (dba Ask.com), and CoreLogic, Inc. Harvest’s management team will continue to manage the asset for new owner Principal Financial Group.

Built by Shorenstein Properties in 2002, 555 City Center is the newest building in the City Center complex and features a renovated two-story atrium lobby and highly flexible floor plates that are attractive to a wide range of tenants, along with fantastic signage opportunities from its visibility along Interstates 980 and 880. Tenants enjoy a plethora of onsite and immediately adjacent amenities in the City Center complex, an open air plaza and unparalleled public transportation access with its proximity to the 12<sup>th</sup> Street BART Station.

Jeffrey Weber, Stephen Van Dusen and Mark Penrod of Eastdil Secured represented Harvest and PGIM Real Estate on the transaction.

#### **About Harvest Properties**

Founded in 2002, Harvest Properties is a full service commercial real estate investment firm specializing in acquiring, developing, managing and financing commercial property, primarily through joint venture investments in Northern California. Harvest Properties strives to generate attractive returns for its financial partners and provide creative real estate solutions and outstanding service. Harvest Properties’ portfolio comprises approximately ten million square feet of office, industrial, R&D and retail properties in the San Francisco Bay Area. For more information, please visit [www.harvestproperties.net](http://www.harvestproperties.net).

#### **About PGIM Real Estate**

PGIM Real Estate is the real estate investment business of PGIM Inc., the global investment management business of Prudential Financial, Inc. (NYSE: PRU). Redefining the real estate investing landscape since 1970, PGIM Real Estate has professionals in 18 cities in the Americas, Europe and Asia Pacific with deep local knowledge and expertise, and gross assets under management of \$65.4 billion (\$48.3 billion net) as of March 31, 2016. PGIM Real Estate’s tenured team offers to its global client base a broad range of real estate investment vehicles that span the risk-return spectrum across core, core plus, value-add, debt, securities, and specialized investment strategies. For more information, visit [www.pgimrealestate.com](http://www.pgimrealestate.com).



# HARVEST

PROPERTIES

## **About Principal Financial Group**

Principal helps people and companies around the world build, protect and advance their financial well-being through retirement, insurance and asset management solutions that fit their lives. Our employees are passionate about helping clients of all income and portfolio sizes achieve their goals – offering innovative ideas, investment expertise and real-life solutions to make financial progress possible. To find out more, visit us at [principal.com](http://principal.com).

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