



Harbert Management Corporation

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FOR IMMEDIATE RELEASE

Harbert United States Real Estate Fund IV Closes Sale of La Terraza Corporate Plaza

Harbert Completes Disposition of Office Building in San Diego, California

San Francisco, California, Feb. 6, 2014 – On December 3, 2013, Harbert United States Real Estate Fund IV, L.P. (“HUSREF IV”), in conjunction with Cypress Office Properties, LLC (“Cypress”) completed the sale of La Terraza Corporate Plaza, a 78,477 square foot, three-story, Class-A office building in the Escondido submarket of San Diego, California. The buyer, Peregrine Realty Partners, paid \$22,300,000 for the stabilized asset.

“We are very pleased with the successful sale of La Terraza Corporate Plaza,” said Jon-Paul Momsen, Sr Managing Director of HUSREF IV. “Along with our partners, Cypress Office Properties, we executed a successful recapitalization and lease-up strategy generating a very attractive return for our investors.”

HUSREF IV and Cypress purchased the property for \$13,075,000 in a distressed REO sale in October 2011 at 38% occupancy. During the first 18 months of ownership, the joint venture executed a targeted marketing and leasing plan and stabilized the property at 96% occupancy. The transaction is the first joint venture between HUSREF and Cypress.

About Cypress Office Properties

Cypress Office Properties, LLC is a San Diego-based real estate investment firm specializing in the acquisition, asset management and repositioning of office, R&D and flex properties throughout San Diego, Orange County and Phoenix. Founded in 2009, Cypress focuses on enhancing performance and value through proven management, leasing and capital improvement strategies. For more information, visit www.cypressoffice.com.

About Harbert Management Corporation

HUSREF IV is sponsored by Harbert Management Corporation (“HMC”). HMC, together with its sponsored funds, has owned, developed and managed multi-family, office, industrial, retail and self-storage properties throughout the United States. HMC has a history of identifying real estate investment opportunities through its network of long-term, strategic relationships. HUSREF IV’s approach is hands-on, targeting properties that the HUSREF IV Investment Team believes are undervalued, and where value can be created through focused operational management. Additional information about HMC can be found at www.harbert.net.

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