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PRESS RELEASE

FESTIVAL RETAIL FUND 1, L.P. PURCHASES TWO MAUI RETAIL PROPERTIES FOR \$28.5 MILLION

LOS ANGELES, October 3, 2007 — Festival Retail Fund 1, L.P. announced today that it has acquired its fourth and fifth properties of 2007 with the purchase of the Fairway Shops at Kaanapali and the Napili Plaza in West Maui, Hawaii for a combined \$28.5 million. Fund Principal and Festival Companies President Mark Schurgin made the announcement.

Built in 2001, The Shops at Kaanapali is a 35,000-square-foot specialty retail center located along Honoapiilani Highway in the middle of the Kaanapali Resort. The 45,000-square-foot Napili Plaza neighborhood center was built in 1991 and is also located on Honoapiilani Highway in the city of Napili between Maui's Kapalua and Kaanapali Resorts. "These are two outstanding locations," said Schurgin. "The projects are highly visible and located on West Maui's primary thoroughfare." Festival Retail Fund 1, L.P. acquired the two centers from Honolulu-based A&B Properties, Inc., the real estate subsidiary of Alexander & Baldwin, Inc. (NASDAQ: ALEX).

Festival Retail Fund 1, L.P. invests in ground-up and existing retail properties in major metropolitan cities throughout the United States. The Fund will invest up to \$800 million over the next two years.

About The Festival Companies

Los Angeles-based The Festival Companies is a national real estate investment, development and full-service advisory and management company. With 30-years of real estate experience, The Festival Companies has added value to more than 130 shopping center projects nationwide. Distinguishing itself within the industry by applying their "Total Retail Concept" approach, the company has amassed a current portfolio of over 12 million square feet under leasing, management and development for both institutional owners and private investment firms.

The Festival Companies is currently underway with an \$84 million redevelopment of the Royal Hawaiian Shopping Center on Kalakaua Avenue in Waikiki, Hawaii. The redevelopment of this 310,000 square-foot four-story center represents not only the revitalization of an extraordinary retail location, but also the reemergence of an iconic global destination. The project will be completed in Fall 2007.

Most recently, the company, along with its partner Goldman Sachs, formed Festival Retail Fund #1, L.P. Managed by The Festival Companies' Principals Mark Schurgin and Rosalind Schurgin and launched in January 2007, Festival Retail Fund #1 invests in ground-up and existing retail properties including regional malls, lifestyle centers, power centers, community and strip centers and stand-alone buildings. The Fund will invest up to \$800 million by the end of 2009.