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**ST. JOHN PROPERTIES INITIATES CONSTRUCTION ON NEW FOUR-STORY,
145,000 SQUARE FOOT OFFICE BUILDING IN PRINCE GEORGE'S COUNTY**

*Melford Plaza II, mirror image of sister building at Maryland Science and
Technology Center, is expected to be completed by third quarter 2008*

BALTIMORE (December 10, 2007) – St. John Properties, Inc. has initiated construction on Melford II, a four-story, 145,000 square foot Class “A” office building that is contained in the company’s Maryland Science and Technology Center @ Melford project in Prince George’s County, MD. The 466-acre project, which is situated at the intersection of US Route 50 and MD Route 3/301, will be a 3.2 million square foot mixed-use development upon completion, with Phase One including more than 750,000 square feet of office space.

St. John Properties has substantially leased Melford Plaza I – which represents the sister building to Melford Plaza II and contains 160,000 square feet of space -- to ITT Corporation, an international defense systems company and Lennar Corporation, a national homebuilder, as well as other local and regional tenants. In the past year, the company has successfully leased more than 200,000 square feet of space at the business community, as well as sold an 8.6 parcel of land to Hospitality Development Company for the development of three different hotel products, including a Courtyard by Marriott, Residence Inn by Marriott and Springhill Suites by Marriott.

Melford Plaza II sits adjacent to Melford Plaza I and will be constructed of a white brick and blue ribbon glass exterior and feature 38,000 square foot floor plates and dramatic views of the 12-acre lake and outdoor fountain feature. The two-story lobby of the building is accented with marble flooring, a working fountain and an original piece of artwork. The projects are also surrounded by a 1.1 mile long walking and running trail.

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“We have experienced great leasing success in the past year at Maryland Science and Technology Center, which gives us confidence to proceed with the construction of 145,000 square feet of additional product in Prince George’s County,” explained Jerry Wit, Senior Vice President - Marketing for St. John Properties, Inc. “This sub-market responds extremely favorably to buildings with expansive floor plates to accommodate large-scale users that need same-level convenience and layouts. Interest continues to develop from companies seeking a regional presence in the four-city region, and firms that prefer a suburban location with generous parking and retail amenities that serve the interests of their employee base,” he added.

“This latest commercial real estate commitment and investment by St. John Properties are strong indicators of the short-term and long-term economic health and vitality of Prince George’s County,” stated Kwasi Holman, President and CEO of the Prince George’s County Economic Development Corporation. “Maryland Science and Technology Center is among our County’s shining jewels and it continues to attract impressive companies to its base of tenants. The success of this Park is representative of the positive real estate momentum that is occurring throughout the County in both the commercial and retail sectors,” he added.

Maryland Science and Technology Center presently consists of thirteen buildings offering approximately 525,000 square feet of office space.

As of year-end 2006, the St. John Properties portfolio was 97% leased and included more than 1500 tenants. The total real estate investments of the company are valued at more than \$1.1 billion.

Founded in 1971 as MIE Properties, Inc., St. John Properties, Inc. owns and has developed nearly 13 million square feet of flex, warehouse, office and retail space in Maryland, Colorado, Louisiana, Virginia and Wisconsin. For more information about the company, visit www.sjpi.com.

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