HAGER PACIFIC
PROPERTIES

Los Angeles *Encino* *Newport Beach*

FOR IMMEDIATE RELEASE
Wednesday, September 22, 2004

Contact: Betsy Cobb-Seliga (949) 253-7920 x 200

HAGER PACIFIC PROPERTIES SELLS FORMER HEILIG MEYER DISTRIBUTION FACILITY IN HESPERIA, CALIFORNIA FOR $16,000,000

Hager Pacific Properties Also Acquires REFRIGERATED WAREHOUSE AND FOOD PRODUCTION FACILILTY IN CITY OF CARSON, CALIFORNIA

NEWPORT BEACH, Calif., September 22, 2004 – Hager Pacific Properties (**www.hagerpacific.com**) announced today that it has sold the former Heilig Meyer distribution facility in Hesperia, California for $16 million. In addition, the company just acquired the 173,000 square foot freezer and food processing facility at 1065 East Walnut in Carson, California. The Hesperia facility was sold to a private investor and the refrigerated warehouse in Carson was purchased from the Union Ice Company.

The Carson refrigerated facility, located on 8 acres, has approximately 145,000 square feet of freezer, dry storage and food processing area with approximately 28,000 square feet of office space. The property is 100% leased on a long-term basis to Western Star Transportation, a national refrigerated hauler and KT's Kitchen, Inc., a national food processor specializing in salad dressings and frozen pizzas.

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ABOUT HAGER PACIFIC PROPERTIES

HAGER PACIFIC PROPERTIES with offices in Newport Beach, Los Angeles, and Encino, is headed by veteran real estate entrepreneurs, David Hager, Adam Milstein and Robert Neal. Among their related entities, they own and manage approximately 8 million square feet of industrial, retail and commercial property and about 3,000 apartment units throughout Southern California. Hager Pacific continues to actively acquire commercial, industrial and retail property, having purchased over $100 million of property in the last 18 months.

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