

**Media contact:**  
Fred Muir

For EVOQ Properties

310-278-9321

[fred@fredmuir.com](mailto:fred@fredmuir.com)

**EVOQ Properties Announces Sale of Company**

**To Investor Group Led by Atlas Capital**

***Acquisition Recognizes Revitalization of Downtown Los Angeles***

**LOS ANGELES, August 18, 2014** – EVOQ Properties Inc. (OTC US: EVOQ) today announced that the company has agreed to be acquired by an entity established by affiliates of Atlas Capital Investors III, LLC, Square Mile Capital Management, LLC, and USAA Real Estate Company.

Total value of the transaction, including the assumption of debt, is approximately $357.4 million. It is expected that EVOQ stockholders will receive approximately $12.96 per share, subject to certain adjustments provided for in the merger agreement with respect to the transaction.

The transaction has been approved by the EVOQ Board of Directors and its majority stockholder, MMPI Acquisition, LLC, a venture formed in 2011 by Mount Kellett Capital Management LP and Global Asset Capital LP. The transaction is expected to close in October 2014. Terms of the transaction, including procedures for receiving the merger consideration in exchange for EVOQ shares, will be furnished directly to EVOQ’s stockholders.

EVOQ’s real estate holdings include more than two million square feet of rentable space and more than 13 acres of prime development land in Downtown Los Angeles. The cornerstone of EVOQ’s portfolio is Alameda Square, a 32-acre creative office campus and innovation hub. Alameda Square is one of the largest contiguous blocks of space in Downtown Los Angeles and is located in the burgeoning Arts District.

“The acquiring investors recognized the tremendous value of EVOQ’s portfolio and the opportunity to make a significant investment in Downtown Los Angeles,” said Martin Caverly, CEO of EVOQ. “We are confident that the new ownership group will play a positive role in Downtown Los Angeles’ continuing renaissance.”

Houlihan Lokey and Eastdil Secured were advisors to EVOQ for the transaction and Cleary Gottlieb Steen & Hamilton LLP and Allen Matkins Leck Gamble Mallory & Natsis acted as legal counsel. Bill Lenehan served as Special Advisor to the EVOQ Board of Directors.

**About EVOQ Properties, Inc.**

EVOQ is one of the largest property owners in Downtown Los Angeles, with holdings in industrial, office, retail, residential, and mixed-use real estate. For additional information on EVOQ and its properties, please visit the Company’s website at [www.EVOQProperties.com](http://www.EVOQProperties.com).

**About Atlas Capital Group, LLC**

Atlas Capital Group, LLC was founded in March, 2006 by Jeffrey A. Goldberger and Andrew B. Cohen to invest in opportunistic, value-added real estate transactions globally. Atlas has formed strategic partnerships with institutional investors that co-invest alongside Atlas. Atlas' portfolio consists of more than $2.5 billion of residential, office and retail assets in New York City, Boston, Washington, D.C., Los Angeles, Miami, London and Dublin. Atlas is a full service real estate investment, development and management firm. <http://www.atlas-cap.com>

**About Square Mile Capital Management, LLC**

Square Mile Capital Management LLC is a diversified real estate investment firm that focuses on sourcing and managing real estate and related equity, debt and hybrid investments on behalf of select institutional and private investors. Square Mile takes a value oriented approach to its investment activities, with an emphasis on opportunities to acquire or capitalize assets or enterprises that are undervalued, overlooked, complex or mispriced. <http://www.squaremilecapital.com>

**About USAA Real Estate Company**

USAA Real Estate Company was founded in 1982 as the real estate investment arm of USAA. With more than $12 billion in assets under management, the company provides co-investment asset management services to U.S. pension funds, as well as to foreign and domestic institutional investors. USAA Real Estate Company also provides capital to partners for development. The portfolio consists of office, medical office, industrial, multi-family, retail and hotel properties as well as investments in real estate operating companies.

**Forward Looking Statements**

This release contains forward-looking statements that are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are generally accompanied by words such as “anticipate,” “continues,” “expect,” “forecast,” “outlook,” “believe,” “estimate,” “should” and “will” and words of similar effect that convey future meaning, concerning the Company’s operations, economic performance and management’s best judgment as to what may occur in the future. Future events involve risks and uncertainties that may cause actual results to differ materially from those we currently anticipate. The actual results for the current and future periods and other corporate developments will depend upon a number of economic, competitive and other influences. Many of these risks and uncertainties are beyond the control of the Company, and any one of which, or a combination of which, could materially and adversely affect the results of the Company’s operations and its financial condition. The Company has not made a decision to pursue any strategic alternative, and there can be no assurance that the exploration of potential strategic alternatives will result in a sale of the Company or in any other transaction. We undertake no obligation to update information contained in this release.

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