



**AMERICAN ASSETS, INC. COMPLETES FIRST TWO PHASES OF
SOLANA BEACH TOWNE CENTRE RENOVATION**

Third and Final Phase of Work will Begin in Second Quarter 2008

SOLANA BEACH, Calif., October 2007 – San Diego-based American Assets, Inc. (AAI) has completed two phases of a \$6 million, three-phase renovation of Solana Beach Towne Centre, its 252,000-square-foot community center located at the intersection of I-5 and Lomas Santa Fe Drive in Solana Beach, a coastal community in San Diego county.

Renovation of the 30-year-old center began in April 2006 with the renovation of a pad building for new tenant, Panera Bread, and enhancements to the center's exterior, including updating the facades, introducing a new paint palette of warm earth tones, improving pedestrian access and adding new landscaping. Additionally, a 4,500-square-foot BevMo joined the tenant roster during phase one.

Work on the exterior continued with phase two, which began in January 2007, and included the addition of a new fountain area in one of the gathering spots at the center and the addition of Salon Savvy and Sun Diego, a regional retailer offering surf, skate and snow apparel and accessories.

The third and final phase of work is slated to begin in the second quarter of 2008 and will continue to the fourth quarter of the year. In addition to completing the façade work on the remaining buildings, the last phase of the renovation will add pedestrian medians along a bordering street, San Rodolfo Drive.

Solana Beach Towne Centre was built in phases starting in 1974 and continued through the early 1980s. The center is anchored by Henry's Marketplace, Marshalls, CVS Pharmacy, Dixieline Lumber, Aaron Brothers, Staples, BevMo, and over 50 shops, restaurants and services.

American Assets was founded in 1967 and is one of the largest real estate groups in the San Diego region. The company's portfolio encompasses approximately 8 million square feet of office, retail and industrial property throughout California, Texas, Illinois and Hawaii. Additional information is available on the company's website at www.americanassets.com. For more information about retail leasing opportunities, interested parties can contact Chris Sullivan at (858) 350-2600.

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