



**MOST AMBITIOUS CARBON-NEUTRAL PROJECT IN UNITED STATES
ACHIEVES MILESTONE IN DESIGN PROCESS**

Carbon Neutrality Considered Feasible For California Redevelopment Project

SAN DIEGO, Calif., August 2008 –San Diego-based real estate owner American Assets, Inc. announced today that plans for their landmark redevelopment project in Novato, Calif. show that carbon-neutrality could be achieved in less than 10 years; exceeding the performance targets of the *2030 Challenge* and marking an important milestone for one of the first such efforts for a mixed-use commercial project in the United States.

“The technology has been available but most efforts to date have been hindered by the lengthy period before seeing a return on investment,” said John Chamberlain, CEO for American Assets. “Our sustainability engineers are telling us that we are now at a point where both environmental and financial ROI can be achieved relatively quickly.”

“We know of no other development of this scale where all of the current environmental issues of water, waste and carbon/energy have been tackled in such an ambitious and comprehensive manner,” said Ray Keane, principal for Timmons Design Engineers.

American Assets submitted plans to the city of Novato in July for a project that would be renamed the Commons at Mount Burdell and would add nearly 800,000 square feet of uses to a 65-acre site including residential, a first-class hotel, retail, health club, daycare, restaurants, meeting venues, community amenities, as well as upgrade the 710,000 square feet of existing facilities.

In addition to implementing strategies to achieve Leadership in Energy and Environmental Design (LEED™) Platinum certification, the redevelopment aims to exceed the performance targets of the *2030 Challenge* by designing the project's water, waste and energy systems to achieve carbon neutrality by 2020.

By utilizing the latest approach to master plan development, The Commons at Mount Burdell would preserve the site's generous green space, wetland area and undeveloped hillsides while actually expanding the amount of open and green space by nearly 15 percent through the removal of 15 acres of asphalt parking and the construction of parking structures.

The three-building, Class A office complex at 775-779 San Marin Drive was acquired by American Assets in 2007 and serves as the national headquarters for Fireman's Fund Insurance Company, a premier property and casualty insurance company providing personal, commercial and specialty insurance products nationwide.

San Francisco-based Timmons Design Engineers has been retained to provide mechanical, electrical, plumbing and sustainable design services for the project and the San Diego office of Carrier Johnson will be the architect.

American Assets, Inc. is one of the largest real estate groups in the San Diego region. The company's portfolio encompasses approximately 3.3 million square feet of retail, 3 million square feet of office and industrial and over 1,000 residential apartment units throughout California, Texas, Illinois and Hawaii. Additional information is available on the company's website at www.americanassets.com.

###