

For Immediate Release

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Baceline Investments Purchases West State Plaza in Kansas City Expanding No Debt Real Estate Fund II

Acquisition of 93,973-square-foot Retail Center brings Fund's property holdings to three

DENVER – Baceline Investments, LLC, a Denver-based real estate investment company with local partners in Dallas, Chicago, Omaha and Kansas City, announced today it has acquired West State Plaza, a 93,973-square-foot retail property in Kansas City, Kan., for \$4.2 million. West State Plaza is the third property in Baceline's No Debt Real Estate Investment Fund II portfolio.

The neighborhood retail center is located at 7523 State Ave., 10 minutes west of Downtown Kansas City off of Interstate-70 and State Ave. The single-story, multi-tenant property is 98 percent leased including its largest tenants, Big Lots, Ace Hardware and Dollar General.

Baceline's No Debt Real Estate Fund II opened in June, 2005 with the acquisition of the Crestside Business Center in Dallas. In December, the company purchased Meadow Mart Center, a retail shopping center near Chicago. With the acquisition of West State Plaza, the Fund II holdings include:

<u>Property</u>	<u>Location</u>	<u>Type</u>	<u>Size</u>	<u>Purchase Price</u>
Crestside Business Center	Dallas, Texas	Industrial	46,364 SF	\$3.4 million
Meadow Mart Center	Rockford, Ill.	Retail	158,723 SF	\$8.7 million
West State Plaza	Kansas City, Kan.	Retail	93,973 SF	\$4.2 million

Baceline, who is continuing to raise \$50 million for Fund II, is also in the negotiation phase for an additional \$25 million in industrial and retail properties to purchase. Baceline seeks out attractively priced, cash-flowing real estate as part of its unique no debt investment strategy.

"We continue to make great strides in expanding our holdings for the No Debt Real Estate Fund II," said David Puchi, Principal of Baceline Investments. "West State Plaza is an acquisition that increases our portfolio diversity while growing our Midwestern presence."

Baceline's first No Debt Real Estate Fund, launched in September 2003, is a \$21 million portfolio that has delivered nine consecutive quarters of return. Fund I, with industrial and retail properties in Colorado and Texas, closed to investors in October, 2004.

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Baceline Investments, LLC is a Denver-based real estate investment company that offers unique real estate investment alternatives for individual and institutional investors. Baceline's No Debt Real Estate Funds pays investors first before any management fees are paid. By providing a straightforward, investor-first approach to real estate investing, the Company offers security, strong cash flow and attractive total returns. Baceline specializes in industrial and retail property in diversified metropolitan locations. For more information, visit www.bacelineinvestments.com.

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