

AMB Property Corporation(R) Acquired 2.1 MSF Portfolio of Airport-Adjacent Properties

Acquisition includes 25 strategically-located facilities in Seattle, Dallas and Houston, and 131 acres of airport-adjacent developable land in Atlanta and Houston, for a total investment of \$181 million

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SAN FRANCISCO

AMB Property Corporation(R) , a leading global developer and owner of industrial real estate, today announced the acquisition of a 2.1 million square foot portfolio consisting of 25 airfreight buildings. This acquisition expands the company's market presence at three U.S. international airports: Seattle-Tacoma International Airport; Dallas Fort Worth International Airport; and George Bush Intercontinental Airport in Houston. The operating properties have been acquired for and contributed to AMB Institutional Alliance Fund III, AMB's open-end U.S. co-investment fund.

The modern air-freight facilities included in the acquisition are located within a 1.5-mile radius of the respective international airports and complement AMB's existing portfolios of distribution facilities in each of the three markets. In Seattle, AMB expanded its market presence to approximately 8.8 million square feet with the addition of a 137,000 square foot airfreight distribution facility directly adjacent to Seattle-Tacoma International Airport. In Dallas, AMB acquired 15 airport-related facilities totaling more than 1.2 million square feet immediately north and west of Dallas Fort Worth International Airport. The acquisition increased AMB's Dallas portfolio by 28% to approximately 5.5 million square feet of operating and development facilities. Included in the portfolio acquisition, AMB added 913,000 square feet of distribution space to its Houston portfolio in the airport submarket, now totaling more than 1.3 million square feet of airport-related facilities.

As part of the transaction, AMB acquired 131 acres of airport-adjacent developable land: 59 acres in Houston capable of supporting up to 812,000 square feet of future development, and 72 acres in Atlanta that are being held for sale.

The purchase price includes the assumption of \$68 million of debt and includes the issuance of \$64 million in operating partnership units in AMB Property II, L.P. priced at \$56.32 per unit.

AMB Property Corporation.(R) Local partner to global trade.(TM)

AMB Property Corporation(R) is a leading global developer and owner of industrial real estate, focused on major hub and gateway distribution markets throughout North America, Europe and Asia. As of September 30, 2006, AMB owned, or had investments in, on a consolidated basis or through unconsolidated joint ventures, properties and development projects expected to total approximately 124.8 million square feet (11.6 million square meters) and 1,109 buildings in 42 markets within 11 countries. AMB invests in properties located predominantly in the infill submarkets of its targeted markets. The company's portfolio is comprised of High Throughput Distribution(R) facilities-industrial properties built for speed and located near airports, seaports and ground transportation systems.

AMB's press releases are available on the company website at www.amb.com or by contacting the Investor Relations department at +1 415 394 9000.

Some of the information included in this press release contains forward- looking statements, such as those related to the strategic nature of the acquired assets, which are made pursuant to the safe-harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause our actual results to differ materially from those in the forward- looking statements, and you should not rely on the forward-looking statements as predictions of future events. The events or circumstances reflected in forward-looking statements might not occur. You can identify forward-looking statements by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "pro forma," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases. You can also identify forward- looking statements by discussions of strategy, plans or intentions. Forward- looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and we may not be able to realize them. We caution you not to place undue reliance on forward-looking statements, which reflect our analysis only and speak only as of the date of this report or the dates indicated in the statements. We assume no obligation to update or supplement forward-looking statements. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: defaults on or non-renewal of leases by tenants, increased interest rates and operating costs, our failure to obtain necessary

outside financing, re-financing risks, difficulties in identifying properties to acquire and in effecting acquisitions, our failure to successfully integrate acquired properties and operations, our failure to divest properties on advantageous terms or to timely reinvest proceeds from any divestitures, risks and uncertainties affecting property development and construction (including construction delays, cost overruns, our inability to obtain necessary permits and public opposition to these activities), our failure to qualify and maintain our status as a real estate investment trust, environmental uncertainties, risks related to natural disasters, changes in general economic conditions or in the real estate sector, changes in real estate and zoning laws or other local, state and federal regulatory requirements, a downturn in the U.S., California, or the global economy, risks related to doing business internationally, losses in excess of our insurance coverage, unknown liabilities acquired in connection with acquired properties or otherwise and increases in real property tax rates. Our success also depends upon economic trends generally, including interest rates, income tax laws, governmental regulation, legislation, population changes, various market conditions and fluctuations and those other risk factors discussed under the heading "Risk Factors" and elsewhere in our most recent annual report on Form 10-K for the year ended December 31, 2005 and in our quarterly report on Form 10-Q for the quarter ended June 30, 2006.

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