



NEWS RELEASE

CATELLUS SELLS 508,000 S.F. OF COMMERCIAL ENTITLEMENTS AT MISSION BAY

SAN FRANCISCO (September 13, 2004) - Catellus Development Corporation (NYSE: CDX) announced today the sale of land entitled for 508,000 square feet of commercial space at Mission Bay in San Francisco, California, to Alexandria Real Estate Equities, Inc. (NYSE: ARE).

The sale consists of Parcels 1, 3, 4, 5, 6, and 7 in Mission Bay Blocks 41, 42, and 43, which Catellus had planned for a life science campus located immediately adjacent to UCSF Mission Bay, the University of California at San Francisco's new 43-acre biotechnology research and life science campus, and Gladstone Institute, an independent biomedical research group.

“We are very pleased to welcome Alexandria to Mission Bay. We believe that their solid reputation and credible track record as an owner and developer of life science properties will significantly enhance efforts to attract biotech firms to Mission Bay,” said Nelson C. Rising, Catellus chairman and CEO.

“We are equally pleased to be part of Mission Bay, and the pioneering work of Catellus, and are looking forward to taking part in helping to create what we believe is becoming a major cluster for scientific research, development, and translational medicine,” commented Joel S. Marcus, Alexandria CEO. “For our clients, this premier San Francisco location and proximity to UCSF’s new life science campus should be significant factors when they are making decisions to locate here.”

“This validates my view that San Francisco is on the cusp of great things in terms of biotech,” said San Francisco Mayor Gavin Newsom, “We have taken proactive steps to attract the industry by passing a targeted biotech tax credit. Alexandria’s entry into this market is one more piece in the puzzle and a tremendous vote of confidence in our City.”

Catellus Development Corporation is a publicly traded real estate development company that began operating as a real estate investment trust effective January 1, 2004. The company owns and operates approximately 41.4 million square feet of predominantly industrial property in many of the country's major distribution centers and transportation corridors. Catellus' principal objective is sustainable, long-term growth in earnings, which it seeks to achieve by applying its strategic resources: a lower-risk/higher-return rental portfolio, a focus on expanding that portfolio through development, and the deployment of its proven land development skills to select opportunities where it can generate profits to recycle back into its business. More information on the company is available at www.catellus.com.

Except for historical matters, the matters discussed in this release are forward-looking statements that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements about plans, opportunities, and development. We caution you not to place undue reliance on these forward-looking statements, which reflect our



CATELLUS

current beliefs and are based on information currently available to us. We do not undertake any obligation to publicly revise these forward-looking statements to reflect future events or changes in circumstances, except as may be required by law. These forward-looking statements are subject to risks and uncertainties that could cause our actual results, performance, or achievements to differ materially from those expressed in or implied by these statements. In particular, among the factors that could cause actual results to differ materially are: changes in the real estate market or in general economic conditions, including a worsening economic slowdown or recession; product and geographical concentration; industry competition; availability of financing and changes in interest rates and capital markets; changes in insurance

markets; discretionary government decisions affecting the use of land, and delays resulting therefrom; changes in the management team; weather conditions and other natural occurrences that may affect construction or cause damage to assets; changes in income taxes or tax laws; liability for environmental remediation and changes in environmental laws and regulations; failure or inability of third parties to fulfill their commitments or to perform their obligations under agreements; failure of parties to reach agreement on definitive terms or to close transactions; increases in the cost of land and construction materials and availability of properties for future development; limitations on, or challenges to, title to our properties; risks related to the financial strength of joint venture projects and co-owners; changes in policies and practices of organized labor groups; shortages or increased costs of electrical power; other risks inherent in the real estate business; and acts of war, other geopolitical events and terrorists activities that could adversely affect any of the above factors. For further information, including more detailed risk factors, you should refer to Catellus Development Corporation's annual report on Form 10-K for the fiscal year ended December 31, 2003, and its report on Form 10-Q for the quarter ended June 30, 2004, filed with the Securities and Exchange Commission.

Contacts:

Margan Mitchell
Vice President, Corporate Communications
Catellus Development Corporation
(415) 974-4616

Joel S. Marcus
Chief Executive Officer
Alexandria Real Estate Equities, Inc.
(626) 578-0777