

AMERICAN SPECTRUM REALTY REPORTS YEAR END RESULTS
Seven Office Properties Acquired in 2006
Rental Revenue Increased 28% for Year

Houston, TX, March 15, 2007 – American Spectrum Realty, Inc. (AMEX: AQQ) (“the Company”), a real estate investment and management company headquartered in Houston, Texas, announced today its results for the fourth quarter and year ended December 31, 2006.

Rental revenue for the year ended December 31, 2006 increased \$5.6 million, or 28.2%, in comparison to the year ended December 31, 2005. This increase was attributable to \$5.2 million in revenue generated from seven office properties acquired during 2006, in addition to \$0.5 million in greater revenues from properties owned for the full years ended December 31, 2006 and 2005 (“Same Properties”). This increase in Same Properties revenue was primarily due to an increase in overall occupancy. The weighted average occupancy of the Company’s properties held for investment increased to 90% at December 31, 2006 from 88% at December 31, 2005. Rental revenue from the seven acquired properties was included in the Company’s results since their respective dates of acquisition.

Loss from continuing operations was \$4.4 million for the year ended December 31, 2006 compared to \$5.4 million for the year ended December 31, 2005, representing a decrease of \$1.1 million. The decrease was in large part attributable to a \$1.3 million net gain on extinguishment of debt recognized in 2006.

The Company’s net income for the year ended December 31, 2006 was \$6.5 million, or \$4.71 per share, compared with a net loss of \$2.3 million, or \$1.56 per share, for the 2005 year. The net income generated in 2006 was primarily attributable to a gain from discontinued operations of \$10.9 million. The Company’s gain from discontinued operations for the year ended December 31, 2005 was \$3.1 million. Net income for the year ended December 31, 2006 also included a \$1.3 million net gain on extinguishment of debt as mentioned above.

William J. Carden, President of American Spectrum, commented “During 2006, we acquired seven office properties in Texas, one of our core markets. These seven purchases increased American Spectrum’s total square footage in Texas to approximately 1.5 million square feet and increased its real estate projects in Houston to seventeen. We also completed our planned renovations on several properties.”

He added “American Spectrum will continue to seek to acquire additional properties in our core markets of Texas, California and Arizona during 2007 either directly or through joint ventures.”

American Spectrum Realty, Inc. is a real estate investment and management company that owns 26 office, industrial, apartment and retail properties aggregating over 2.1 million square feet in California, Texas, Arizona, South Carolina and the Midwest. Publicly traded on the American Stock Exchange since November 2001, American Spectrum Realty’s business plan focuses on expansion of office and industrial property investments in California, Texas and Arizona.

Certain matters discussed in this release are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those projected, including the risks and uncertainties of acquiring, owning, operating and disposing of real estate. Such risks and uncertainties are disclosed in the Company’s past and current filings with the U.S. Securities and Exchange Commission.

AMERICAN SPECTRUM REALTY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands, except per share amounts)

	Three Months Ended December 31,		Year Ended December 31,	
	2006	2005	2006	2005
REVENUES:				
Rental revenue	\$ 6,997	\$ 4,991	\$ 25,546	\$ 19,919
Interest and other income	327	13	501	350
Total revenues	7,324	5,004	26,047	20,269
EXPENSES:				
Property operating expense	3,291	2,273	11,935	8,716
Corporate general and administrative	738	958	3,468	3,703
Depreciation and amortization	2,922	2,222	11,020	8,464
Interest expense	2,639	2,184	9,850	8,824
Total expenses	9,590	7,637	36,273	29,707
OTHER INCOME (LOSS):				
Net (loss) gain on extinguishment of debt	(567)	(95)	1,282	(95)
Total other income (loss)	(567)	(95)	1,282	(95)
Loss from continuing operations before deferred income tax benefit and minority interest	(2,833)	(2,728)	(8,944)	(9,533)
Deferred income tax benefit	1,656	3,360	3,893	3,360
(Loss) income from continuing operations before minority interest	(1,177)	632	(5,051)	(6,173)
Minority interest (share of continuing operations)	157	(99)	674	764
(Loss) income from continuing operations	(1,020)	533	(4,377)	(5,409)
Discontinued operations:				
Loss from operations	-	(560)	(65)	(2,110)
Gain on sale of discontinued operations	-	3,900	22,349	7,895
Income tax expense	(1,502)	(2,198)	(9,698)	(2,198)
Minority interest	200	(136)	(1,675)	(444)
(Loss) income from discontinued operations:	(1,302)	1,006	10,911	3,143
Net (loss) income	\$ (2,322)	\$ 1,539	\$ 6,534	\$ (2,266)
Basic and diluted per share data:				
(Loss) income from continuing operations	\$ (0.74)	\$ 0.38	\$ (3.16)	\$ (3.71)
(Loss) income from discontinued operations	(0.94)	0.71	7.87	2.15
Net (loss) income	\$ (1.68)	\$ 1.09	\$ 4.71	\$ (1.56)
Basic weighted average shares used	1,379,332	1,410,670	1,386,328	1,457,079

	December 31, 2006	December 31, 2005
Real estate held for investment, net	\$ 172,813	\$ 126,711
Cash	1,166	300
Total assets	190,182	169,185
Notes payable, net of premiums	155,036	114,543
Total liabilities	168,798	155,035
Total stockholders' equity	15,339	9,014