

HALLWOOD REALTY PARTNERS, L.P.

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NEWS RELEASE

HALLWOOD REALTY PARTNERS RESPONDS TO AMEX INQUIRY

Dallas, Texas, September 6, 2002 - Hallwood Realty Partners, L.P. ("HRP") (HRY-AMEX) announced today, in response to an inquiry from the American Stock Exchange, that it has no knowledge of any facts contributing to increased trading and volatility of its units, other than perhaps statements by others outside Hallwood.

HRP, a publicly traded Delaware limited partnership, is engaged in the acquisition, ownership and operation of commercial real estate assets.

Certain statements in this news release may constitute "forward-looking statements" which are subject to known and unknown risks and uncertainties including, among other things, certain economic conditions, competition, development factors and operating costs that may cause the actual results to differ materially from results implied by such forward-looking statements. These risks and uncertainties are described in greater detail in HRP's periodic filings with the SEC.

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