

NEWS

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For: **LOWE ENTERPRISES**

Date: July 21, 2005

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PROJECT TEAM UNVEILS FINAL DEVELOPMENT PLANS FOR CITYVISTA AT THE FORMER WAX MUSEUM SITE IN WASHINGTON, DC

-- Announces urban lifestyle Safeway, 685 apartments and condominiums, additional 55,000 square feet of retail, restaurants and services --

WASHINGTON, D.C. – Plans have been unveiled for CityVista, the major mixed-use redevelopment project at 5th and K Streets, NW, that include 685 residences, a full-sized urban lifestyle Safeway grocery store, and another 62,000 square feet of retail, restaurants and services. Led by master developer Lowe Enterprises, the CityVista team includes Bundy Development Corporation; Neighborhood Development Company and CIM Group. The project on 3.2 acres is estimated to cost \$200 million with lead institutional equity provided by CIM Urban Real Estate Fund.

“CityVista will be an important catalyst in the ongoing renaissance of the Mount Vernon Triangle, which is adding significant housing and retail options with wonderful connections to the East End’s huge office and amenity base,” said Michael S. Balaban, President, Lowe Enterprises Real Estate Group, Eastern Region. “The location allows us to fully support the District’s urban development mandate to create vibrant, walkable neighborhoods.”

CityVista’s residences and stores will provide a neighborhood anchor in the revitalization of Mount Vernon Triangle. The residential units will be encompassed in three buildings: The L with 149 condominiums; The K with 292 condominiums; and The V with 244 apartments. Twenty percent of all the residences are reserved as affordable units for households earning between 30 percent and 80 percent of area median income.

“Bringing more housing to central downtown is important to the city and to realizing Mayor Williams’ goal of providing for 100,000 new residents in the next decade,” notes Marc Dubick, Project Executive for CityVista.

A lease has been executed with Safeway to bring a 55,000-square-foot grocery store that will include a Starbucks, Bergmann’s Dry Cleaning and SunTrust Bank. Safeway will have frontage on L Street with its main entrance at the corner of 5th and L Streets.

Additional retail will include a fitness center, restaurants, and convenience and specialty stores.

“This is an ideal location for a store that will feature our new lifestyle format which offers a wide variety of high-quality perishable and dry grocery products that cater to the needs of today’s busy shopper,” said Avis Black, Safeway’s Real Estate area Manager for the District of Columbia. The store will feature an inviting décor and floor plan including a large selection of natural and organic foods, full-service meat counter and bakery, floral design center, sushi and olive bars in addition to many unique offerings specific to Safeway.

“CIM Group’s investment strategy focuses on projects like CityVista that serve to transform urban districts,” according to Charles Garner, Principal, Investments & Development of CIM Group’s East Coast Office. “We truly have enjoyed working in such a collaborative manner with the public, private and local stakeholders.”

The contemporary design by Torti Gallas and Partners features residences with abundant windows and rooftop terraces offering dramatic city views. CityVista will be built around a variety of inviting public spaces and common areas including landscaped courtyards and promenades designed by Lee & Associates.

The team, headed by Lowe Enterprises, was selected in February 2004 by the National Capital Revitalization Corp. to create this mixed-use redevelopment project. The project team’s extensive participation by LSDBE firms is in keeping with the employment and community outreach goals of the District of Columbia.

Bundy Development Corporation and Neighborhood Development Company are the project’s residential partners and will oversee development of the condominium components. Lowe Enterprises is the lead developer of the apartments and the retail.

Construction is slated to begin this winter. The L condominium building is expected to be completed by summer 2007 while the remainder of CityVista will follow in 2007 and 2008.

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About Lowe Enterprises: Los Angeles-based Lowe Enterprises is a leading national real estate development, investment and management firm. Over the past 32 years, it has developed, acquired or managed more than \$7 billion of real estate assets nationwide. The firm currently is developing more than 4.7 million square feet of commercial projects nationwide. Through its investment management affiliate, the firm manages in excess of \$2 billion in real estate assets on behalf of institutional clients. In addition to its Los Angeles headquarters, Lowe Enterprises maintains offices in Denver, Irvine, Phoenix, San Francisco, Sacramento and Washington, DC.

The Washington, DC office of Lowe Enterprises Real Estate Group has managed and redeveloped a number of other significant local projects on behalf of institutional clients including the Air Rights Center in Bethesda, Maryland; Chevy Chase Pavilion in Washington, D.C.; Ballston Metro Center in Virginia; the Fairmont Building in Bethesda; and 1101 Connecticut Avenue, NW in Washington D.C. The firm also developed the 601 New Jersey, NW Building. For more information: www.loweenterprises.com

About Bundy Development Corporation: A developer of luxurious urban properties, Bundy Development Corporation has specialized in new construction projects in up-and-coming neighborhoods in Washington, D.C. such as Logan Circle and Chinatown for a decade. BDC creates quality, urban mixed-use style, while balancing the historic preservation of neighborhoods. Founder Pamela D. Bundy continues to be sought out as a developer of choice because of her instinctive vision and ability to create dynamic properties. The firm's projects have a unique flavor that continues to keep it on the cutting edge among residential and mixed-use development companies. Bundy Development Corporation is also a member of the development team selected by the city to redevelop the Old Convention Center site. For more information, www.bundydevelopment.com

About Neighborhood Development Company: The Neighborhood Development Company (NDC) is a unique real estate development company that focuses on the revitalization of emerging urban neighborhoods. The company's mission is to create exciting, customized residential and commercial properties that advance the revitalization of urban neighborhoods while respecting the rich diversity of their existing fabric. Founded in 1999, the company has developed over 200,000 square feet of real estate and expects to begin construction on an additional 300,000 square feet over the next 18 months. In the past year, NDC became an equity participant in the development team selected by the city to redevelop the Old Convention Center site. For more information, www.neighborhooddevelopment.com

About CIM Group: CIM Group's Bethesda, MD based East Coast office collaborated closely with Lowe Enterprises on CityVista and is providing funding through its \$676 million CIM Urban Real Estate Fund. The Fund, formed in 2001 with investments from the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS), invests in urban infill projects. Each CIM investment is evaluated based on proven land use and design principles of successful urban districts, and focuses on the unique strengths of the location and the needs of the community. For more information: www.cimgroup.com

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