

FOR IMMEDIATE RELEASE

McCaffery Interests, Inc. announces the purchase of an 87-acre site in Myrtle Beach, South Carolina

Myrtle Beach, South Carolina, September 1, 2004 - McCaffery Interests, Inc. of Chicago, Illinois, (www.mccafferyinterests.com) today announced the purchase of an 87-acre site in Myrtle Beach, South Carolina.

The site was formerly part of the 3,744 acre Myrtle Beach Air Force Base until its closure in March 1993. Responsibility for the land was subsequently placed under the Air Force Base Redevelopment Authority. The Base Redevelopment Authority, working collaboratively with the City of Myrtle Beach, determined that future plans for the site should include a mixed-use urban village. In preparation for the future development, the Base Redevelopment Authority invested more than \$30m in public infrastructure improvements. "The members and staff of the Base Redevelopment Authority are very excited over this opportunity to see the Myrtle Beach community's vision for the redevelopment of the former Air Force Base to begin to come to fruition," stated Buddy Styers, Executive Director of the Base Redevelopment Authority.

McCaffery Interests will transform the land into a street-front urban village with a vibrant combination of retail, residential, hotel, recreation and parking uses. "The Myrtle Beach area is an ideal locale for our type of project. We will work with the community to deliver upon their vision of a sense of place, a pedestrian center for the area", said Daniel McCaffery, President of McCaffery Interests.

McCaffery Interests will bring to Myrtle Beach the same creative and thoughtful development initiatives that earned the company national recognition with the award-winning mixed-use project, The Market Common, Clarendon in Arlington, Virginia. The Market Common, Clarendon is noted for artfully blending 240,00 SF of prime retail, 300 Class-A apartments, 87 townhomes, 100,000 SF of office and nearly 1,200 parking spaces into a relatively compact footprint that compliments the surrounding neighborhoods and commercial areas. What once stood as an empty parking lot for more than a decade is now a thriving example of the creative and effective collaboration between McCaffery Interests, Inc., Arlington County Officials, local Citizen Associations and innovative financial partners.

The successful development vision for The Market Common, Clarendon set new standards – 87 town homes sold and 300 rental units were fully leased above pro forma rates within the first year. The retail portion was 100% leased to highly desired tenants such as Crate & Barrel, Pottery Barn, The Container Store and Barnes & Noble. The office space is also 100% leased.

Honored in the commercial industry, McCaffery Interests has received awards including: 2004 Finalist for the National Association of Home Builders', Pillars of the Industry Award; 2001 Washington Business Journal Best Retail Deal of the Year; 2001 Delta Associates' Mid-Atlantic Community Impact Award for an Apartment Property; 1999 Transwestern Carey Winston DC Area Commercial Real Estate Services Trendsetter of the Year.

About McCaffery Interests, Inc.

Established in 1991, McCaffery Interests, Inc. is a privately held real estate development company specializing in the development, leasing, and construction and management of urban mixed-use properties nationwide. McCaffery Interests, Inc. is located at 737 Michigan Avenue, Suite 2050, Chicago, IL 60611, (312) 944-3777.

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