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NORTHWESTERN MUTUAL TO INVEST \$50 MILLION IN CITY CENTER AT OYSTER POINT

NEWPORT NEWS, Va. – (Feb. 2005) – The Master Development Partners of City Center at Oyster Point–Newport News Town Center, LLC and the Economic Development Authority of Newport News–are pleased to announce that Northwestern Mutual has joined the development team as an investor.

“We asked Walker and Dunlap, a financial advisor, to assist in debt and equity placement and sought proposals from four companies,” says William Hudgins, president of HL Development Services Group. “The investment market was very receptive to the project and immediately saw the investment potential. It was a rare opportunity to present City Center at Oyster Point and the City of Newport News to the national real estate investor market.”

“Quote from Paul Yahn – Northwest Mutual”

“The partnership with Northwestern Mutual ensures that the vision and vitality of City Center at Oyster Point continues and that the 10-year projection remains on track,” says Harvey Lindsay, president of NAI Harvey Lindsay Commercial Real Estate.

In the investment package, Northern Mutual obtains a 50 percent ownership interest in Phase I of City Center at Oyster Point, which comprises 320,000 square feet of office space that is currently 99 percent leased. Northwestern Mutual wanted a more aggressive role in Phase II of the project, and the investment will result in an 80/20 percent ownership interest with them and Newport News Town Center, LLC, respectively.

Other investors in Phase I include Kotarides Builders, headquartered in Norfolk, which is building 360 apartments units, and Red Star, a national restaurant chain, anticipated to open in June 2005.

Phase II includes the most recent addition of the \$58 million Marriott Hotel and Conference Center being developed by Oyster Point Hotel Associates, LLC and the Economic Development Authority of the City of Newport News. Armada/Hoffler broke ground on the construction on Feb. 25. Other Phase II and III components include 105,000 square feet of retail space, 100,000 square feet of office space, a parking garage, streetscapes along Thimble Shoals Blvd. and infrastructure construction.

There are currently \$140 million in construction projects underway at City Center at Oyster Point and another \$45 million in the pipeline, bringing the total investment to \$350 million.

Northwestern Mutual, headquartered in Milwaukee, Wis., is one of the largest real estate investors in the nation. Its real estate investment capabilities include equities, commercial mortgages and securitized investments. The company is also the nation’s largest direct provider of individual life insurance, and for 21 years, a *Fortune* magazine survey has voted Northwestern Mutual “Most Admired” in its industry. For more information, visit www.northwesternmutual.com

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