



Trammell Crow Company

**FOR IMMEDIATE RELEASE
JUNE 18, 2008**

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**TRAMMELL CROW COMPANY, CONSTRUCTIVE VENTURES, AND USAA REAL ESTATE
COMPANY CHOSEN TO REDEVELOP SIX ACRES IN DOWNTOWN AUSTIN**

AUSTIN, TX - A partnership between Trammell Crow Company (TCC), one of the largest development and investment companies in the country, Austin developer Constructive Ventures Inc. (CVI) and San Antonio-based USAA Real Estate Company (USAA RealCo) announced today that it has been chosen to redevelop five city-owned blocks in downtown Austin.

By unanimous vote of the Austin City Council, the TCC-CVI-USAA RealCo partnership was selected to spearhead the redevelopment of the Green Water Treatment Plant and the adjoining Austin Energy Control Center sites, together encompassing over six acres. The project represents Austin's largest downtown redevelopment effort to date.

The team's proposed plan, designed by Mithūn Architects and Planners of Seattle, includes condos, apartments, offices, lodging and retail space, blended with five public squares. The plan also includes a senior living facility, a boutique hotel and more than 5,000 parking spaces.

The redevelopment project is expected to have a dramatic positive economic impact in Austin, providing significant new downtown employment opportunities and adding as much as \$700 million to the City's tax base upon full build-out.

"We are honored to have been selected by the City to lead this historic project, which will clearly change the face of downtown Austin," said Lance Sallis, Managing Director of

Trammell Crow Company's Austin Office. "We will work collaboratively with the City, our partners and the community to transform these sites into a dynamic new residential, commercial and cultural hub for Austin."

Sallis said the TCC-CVI-USAA RealCo plan makes affordability a top priority. In addition to offering 25 percent of the apartments at an affordable price — defined as 80 percent of Austin's median family income — the partnership also plans to donate approximately \$2.5 million to the City's Affordable Housing Trust Fund.

Perry Lorenz, Constructive Ventures Inc. founder said the project presents an important opportunity to promote community values. "We believe in the potential of this project to be transformational for downtown Austin, so our goal is to make a place where Austin's core values are embraced and promoted. We want the entire community to benefit from what happens here."

Lorenz said the TCC-CVI-USAA RealCo partnership plans to make a \$500,000 donation for improvements to Shoal Creek, donate land for the completion of the Shoal Creek Hike and Bike trail, construct a pedestrian bridge connecting the planned new Central Library and the Green Water Treatment Plant site, donate up to \$1 million to Austin's Art in Public Places program and set up a music endowment.

Sallis and Lorenz said the partnership would also work to maximize the participation of local retailers, to adhere to all community design standards and to deliver a LEED (Leadership in Energy and Environmental Design) Gold certification on the entire project, including buildings outfitted with solar thermal collectors, double skin membranes, solar screens and vegetated roofs.

PLAN HIGHLIGHTS:

- Proposing 2.6 million square feet of development, including office, retail, for-sale residential, for-rent residential, hotel, assisted living and public space
- Proposing 5,200 parking spaces, including a 1,800 space three-level underground parking garage; garage to include spaces for Austin Car Share and electric car plug-in stations
- Proposing to make 25 percent of rental units affordable to families at 80 percent median family income and a "density bonus" payment to the city's Affordable Housing Trust Fund
- Proposing a \$500,000 payment for Shoal Creek improvements and grant of public easement to complete missing section of the Shoal Creek trail between 4th and 5th Streets

- Proposing to construct a pedestrian bridge over Shoal Creek connecting Green site and 2nd Street District to redeveloped Seaholm Power Plant and planned new Central Library
- Proposing to fund public art and music programs, including an art display around the Austin Energy substation and an endowment to create an ongoing lunchtime music series
- Proposing to include 35 percent local retail on Green Water Treatment Plant site, and 100 percent local retail (as well as 25 percent M/WBE ownership) on Austin Energy site
- Proposing to include a storefront facility for the Austin Police Department at no charge to the City; proposing to include offices for Hill Country Conservancy at reduced cost
- Proposing to work toward LEED Gold status for all buildings; proposing environmental design solutions to reduce energy usage by up to 50 percent
- Proposing to place the Green Water Treatment Plant site in the downtown Public Improvement District (PID) to support the programs of the Downtown Austin Alliance
- Proposing to comply with the Waterfront Overlay District, Capitol View Corridors, Downtown Creek Overlay, Downtown Urban Design Guidelines and Great Streets

About Trammell Crow Company

Trammell Crow Company, founded in 1948, is one of the nation's leading developers and investors in real estate. It has developed or acquired over 500 million square feet of buildings with a value exceeding \$50 billion. As of March 31st, 2008, Trammell Crow Company had over \$9.1 billion of projects in process or in its pipeline.

Trammell Crow Company's teams are dedicated to building value for its clients through creative solutions and highly skilled, locally connected professionals in major cities throughout the U.S. and Canada. The company is known for the quality of its people and for the world-class facilities they create. Trammell Crow Company serves users of, and investors in, office, industrial, retail, healthcare, student housing, on-airport distribution, multi-family residential and mixed-use projects.

Trammell Crow Company has experienced market leaders in approximately 30 major cities. The company is an independently operated subsidiary of CB Richard Ellis Group, Inc., the world's largest commercial real estate services firm (based on 2007 revenues).

For those who occupy real estate, Trammell Crow Company can execute the development or acquisition of facilities tailored to meet its clients' needs. For investor clients, the company offers large strategic joint ventures, opportunity funds, and other targeted investment options. For more information visit the company's web site at www.TrammellCrow.com.

About Constructive Ventures, Inc.

Constructive Ventures, Inc. (CVI) is a real estate development firm specializing in the design, construction and sales of high quality, high-value urban condominium projects in central Austin.

CVI offers a diverse portfolio of product types and locations in the urban core of Austin. With multiple awards for design, sustainability and vision, CVI stands out as Austin's premier developer of innovative residential and mixed-use condominium projects.

To date, the CVI team has completed or under development in excess of 700 residential and commercial spaces with estimated gross sales exceeding 300 million dollars.

Projects include The Pedernales, Saltillo Lofts, Twentyone24, Este, and Barton Place. CVI founders Perry Lorenz and Larry Warshaw are also partners in Austin's first high-rise residential point-tower – the 400 foot Spring Condominium tower. All of CVI's projects have been recognized for superior design, unbeatable location and great value.

CVI's mission is not just to build and sell condominiums, but also to create community. We are very selective about the projects we undertake and we aim for our development to reflect community values and support Austin's vision for long-term sustainable growth. The CVI team has donated millions of dollars and countless amounts of time and energy to advance civic issues such as affordable housing, open space preservation and urban revitalization. For more information, please visit www.ConstructiveVentures.com.

About USAA Real Estate Company

USAA Real Estate Company (RealCo) is a wholly owned subsidiary of United Services Automobile Association (USAA). Formed in 1982, USAA Real Estate Company was initially created to manage the portion of USAA's investment portfolio dedicated to real estate investments. From that simple directive, the company has grown into an integrated, full service real estate firm that continues to develop, acquire, and manage institutional quality property in major markets throughout the United States.

USAA Real Estate Company currently owns and/or manages approximately 49.5 million square feet of office, industrial, hotels, multi-family, land, and retail properties. The company currently has approximately \$4 billion in assets under management and provides acquisition, build-to-suit and development services for corporate and institutional investors. The USAA portfolio consists of office, industrial, multi-family, retail and hotel properties as well as investments in real estate operating companies.

USAA Real Estate Company has been serving military families since 1922 and has become one of America's leading financial services companies with over 6.4 million members. Headquartered in San Antonio, Texas, with offices throughout the United States and Europe, USAA owns or manages assets of more than \$125.1 billion and is AAA credit rated by Standard & Poor's. *Fortune* ranked USAA 180th of the 500 largest US corporations in 2007, 84th in net worth and 70th in assets. Also for the second year in a row, USAA ranked #1 in the U.S. by *Business Week* for customer service. For more information, please visit www.usrealco.com

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