



NEWS RELEASE

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Earvin "Magic" Johnson and Canyon-Johnson Urban Fund Make First Nashville Investment

NASHVILLE, Tenn. (October 11, 2007) Bill Barkley, president of Crosland's Tennessee division, today announced that its \$65 million Terrazzo mixed-use development under construction in The Gulch has attracted co-participation by the Canyon-Johnson Urban Fund, the nation's largest real estate investment fund focused on urban revitalization in America. It is Canyon-Johnson's first participation with Crosland and its first investment in the Nashville market.

Headquartered in Los Angeles, Canyon-Johnson is a joint venture between Canyon Capital Realty Advisors and basketball-legend-turned-business tycoon Earvin "Magic" Johnson, CEO of Magic Johnson Enterprises. Johnson and the fund's Managing Partner Bobby Turner were in Nashville today to mark the firm's foray into Nashville's urban development scene.

At a midday gathering of city and business leaders, Barkley; Todd Mansfield, chairman and CEO of Crosland; and Mayor Karl Dean welcomed Johnson and Turner to Nashville and officially opened Terrazzo's new on-site sales studio.

Construction began in March on the 14-story glass and limestone Terrazzo building, which is the first LEED™ pre-certified "green" residential high rise in the Southeast. Terrazzo's first four floors contain retail and office space, topped by 10 floors with 109 spacious high-end condominiums. The structure is now rising above the street level; four floors of underground parking and the first floor of retail structure are in place. Units range in price from the \$290,000s to \$1.6 million, and move-ins will begin in the fall of 2008.

The Mayor congratulated Crosland and Canyon-Johnson not only on their investment in Terrazzo, but also on the companies' investment in the area's under-served children with their generous \$10,000 donation to The Art Trunk program at the neighboring Frist Center for the Visual Arts in The Gulch. The Art Trunk program brings the arts to disadvantaged children within their own schools and community centers, and brings children to the arts at The Frist.

Johnson identified Nashville as the kind of city, and The Gulch as the kind of urban redevelopment neighborhood, that attracts his firm's interest and investments.

"I am excited about investing in Nashville, especially in a mixed-use project that will bring quality residential and retail uses to The Gulch, which is quickly becoming *the* place to be in this city. Canyon-Johnson believes that investing in urban America is great business, and Terrazzo absolutely meets our objectives to revitalize urban areas, create jobs and stimulate development in key communities."

Turner said the fund's strategy is to partner with local developers, and take significant financial positions in projects which are poised for or already experiencing revitalization. "We have long felt too many real estate developers and investors were ignoring urban America despite

enormous opportunities. We continue to find those opportunities and join with forward-thinking developers, like Crosland, who are playing a leadership role in revitalizing urban centers, including The Gulch," he said.

"We are thrilled to have a partner of the quality and commitment of Canyon-Johnson," said Barkley. "They embrace the vision we've outlined for Terrazzo and the overall renaissance of The Gulch."

More information on Terrazzo can be found at www.terrazzonashville.com.

About Canyon-Johnson Urban Funds

The Canyon-Johnson Urban Funds (CJUF) are a joint venture between the Los Angeles-based Canyon Capital Realty Advisors and basketball-legend-turned-business tycoon, Earvin "Magic" Johnson, CEO of Magic Johnson Enterprises. The funds were formed to identify, enhance and capture value through the development and redevelopment of real estate in densely populated, ethnically diverse urban communities. CJUF's objectives are to seek current income and capital appreciation and to provide for and foster economic opportunities for the residents of the urban neighborhoods in which it invests. With nearly \$1 billion in committed equity capital, CJUF is positioned to facilitate more than \$4 billion in development and revitalization in major U.S. metropolitan areas. Learn more at www.cjuf.com.

About Crosland

Founded in 1937, Crosland is one of the Southeast's leading diversified real estate companies. Its expertise in retail, multifamily, office, land development and general contracting enables it to be an innovator in multi- and mixed-use development. The privately held company's current portfolio has a market value exceeding \$2 billion.

Headquartered in Charlotte, N.C., Crosland has offices in Raleigh, Orlando, Tampa and Nashville, and develops, builds and manages properties in the Carolinas, Florida, Tennessee and Virginia.

Crosland has announced three projects in The Gulch since the company acquired Nashville-based Armistead Barkley in 2005 and established a Tennessee regional office, headed by Bill Barkley. Barkley was a founding developer of The Gulch and remains a partner of Nashville Urban Venture, the designated master developer of The Gulch \$400 million urban redevelopment project.

In addition to Terrazzo, Crosland has begun preliminary construction on Griffin Plaza, a LEED™-registered, \$35 million, 10-story mixed-use development of rental residences and retail at the corner of 12th and Laurel, which will blend two existing historic properties with a new, sleek modern structure situated around an urban pocket park. Crosland also has announced 701 12th (working name), which is currently in the design phase and will begin construction in late 2008.

Crosland's Tennessee developments also include [Providence MarketPlace](#), the 103-acre retail component of the Providence community in Mt. Juliet, and the largest open-air retail center in the greater Nashville area. Providence MarketPlace was jointly developed with Carolina Holdings and is now co-owned with RREEF. Providence MarketPlace is managed and leased by Crosland. Since 1996, Crosland also has partnered with Nashville-based [CPS Land](#), originally known as Crosland Patton Smith, on the Highlands of Brentwood, Mill Run, Montclair and Annandale neighborhoods.

For more detail, visit crosland.com.