

P R E S S R E L E A S E

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Chicago Lakeside Development Opens Marketing Center; Renovated Building Showcases Vision for Development

Chicago, IL (December 9, 2010)—Signifying the beginning of formal marketing, Chicago Lakeside Development, LLC, a venture of Chicago-based McCaffery Interests, Inc. and Pittsburgh-based United States Steel Corporation, formally announces the opening of its 2,000-square-foot marketing center.

The Chicago Lakeside Marketing Center is housed in the only remaining structure on the nearly 600-acre former U. S. Steel South Works steel production plant located between 79th and 91st Streets on Lake Michigan's shore. The structure was originally built in 1917 and has been transformed to reflect the development's vision and opportunity, while maintaining the historical impact.

"This is a tangible, visible sign that Chicago Lakeside continues to move forward," said Daniel McCaffery, president and chief executive officer of McCaffery Interests. "The opening of the marketing center represents another in a long series of milestones the venture has achieved in 2010."

When completed over a span of 30 years, the development will include 13,575 new homes, 17,500,000 square feet of retail and other commercial space, a new high school, and a 1,500 slip marina. Construction is expected in a minimum of six distinct phases.

Construction of Phase I is scheduled to begin as early as 2012. The project is estimated to generate more than 1,500 temporary construction jobs and 1,000 permanent jobs.

Inside the Chicago Lakeside Marketing Center are two distinct public areas to showcase the vision and opportunity of Chicago Lakeside Development and Phase I. The first exhibit area features scale models, a historic timeline tracing the site's United States Steel history, display panels accentuating the development's key features and a 33 foot long floor mat display replicating Chicago's expansive lakefront stretching from the Chicago Lakeside site through Grant Park and north to Evanston.

The second area is a versatile meeting area with high-tech equipment for multi-media presentations. The space is designed with flexible furniture arrangements that can be changed to accommodate business and community groups of varying sizes in formal presentation settings and more casual gatherings.

A three-story, 30-foot viewing platform provides visitors panoramic vistas of the Chicago skyline, the lakefront and the development site.

Phase I of the development will include new public infrastructure and the mixed-used development identified as The Market Common, an 800,000 square foot project featuring retail, restaurants, entertainment venues and residential units. Phase I centers around a 76-acre land parcel bound by 79th St, 83rd St, Brandon Ave and the re-routed Lakeshore Drive.

Chicago Lakeside Page 2

"Vision and planning represent a significant and critical first phase in a development of this magnitude," McCaffery said. "You don't build a new city, as this will be, overnight. Instead it takes years of thoughtful research and planning."

Sandy Jackson and John Pope, the Chicago aldermen whose wards include the site, recently visited the development and further expressed their support.

"We are standing at the threshold of transformation and prosperity for the 7th Ward, the southeast side community and the entire city of Chicago with the opening of the Chicago Lakeside Marketing Center," said 7th Ward Alderman Sandi Jackson. "This advancement symbolizes a monumental step towards realizing a project that will help to deliver economic justice, enterprising opportunities and environmentally friendly programs to the southern quadrant of Chicago's lakefront. I am immensely excited about the new gateway to the future."

"The redevelopment of the former U. S. Steel site represents a tremendous opportunity for the southeast side, all of Chicago, and the greater region," said 10th Ward Alderman John A. Pope. "The countless residential, retail, recreational, and institutional opportunities of this nearly 600-acre site make it the envy of Chicago and beyond. The jobs, housing, shopping, and access to the lake make it a truly unique and desirable project. I am pleased to be part of this spectacular development whose benefits will be realized for generations."

The center, which was developed with LEED-CI green building criteria, was designed by Antunovich Associates.

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About the Chicago Lakeside Development Master Plan

Designed by Skidmore, Owings and Merrill in conjunction with Sasaki Associates and Antunovich Associates, this development is perhaps the largest public-private development project ever undertaken in Chicago. The Master Plan long-term vision includes an estimated \$450 million in new public infrastructure, 125 acres of public land, miles of lakefront access, new bike paths, and expansive commuter rail and bus service to connect the development to surrounding neighborhoods, the central business district, and beyond. It will take an estimated 30 years to complete and cost more than \$4 billion in both public and private funds. The Master Plan has earned national and international recognition and is the recipient of four prestigious awards:

- 2009 AIA National Honor Award Regional & Urban Design
- 2009 Chicago Athenaeum International Architecture Award
- 2009 AIA Boston Chapter Sustainable Design Award Urban Design & Master Plan
- 2007 AIA Chicago Chapter Sustainable Design Award

About McCaffery Interests, Inc.

McCaffery Interests, Inc. is a privately owned, full-service commercial real estate company that has been in the business of investing, developing, leasing, managing and selling real estate for more than 20 years. The McCaffery Interests portfolio of planned, completed and managed projects exceeds 20 million square feet and includes office, mixed-use, hotel, and residential properties, as well as large, master-planned communities and land developments. With offices in Chicago, IL and Washington, DC, and controlled assets and completed developments valued in excess of \$2 billion, McCaffery Interests is one of the most trusted real estate companies in the nation. For more information, please visit www.mccafferyinterests.com or call (312) 944-3777.

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This release contains forward looking statement concerning the future development of the Chicago Lakeside property. The functions and size of the ultimate development as well as the timing, cost, and financial performance of the development are subject to many factors over a long period of time including, among others, general economic conditions, developments in residential and commercial real estate markets in the Chicago area, the availability and terms of necessary financing, final plans and specifications and the terms of to be negotiated construction and other contracts. Consequently, actual development may be significantly different than that contemplated in this release.