

TEXAS DEVELOPERS FINALIZE 100 OAKS LEASE AGREEMENT WITH VANDERBILT UNIVERSITY FOR MEDICAL CENTER SPACE

Positive Impact on Surrounding Community

Contact: Peggy Hickman
hickman@varallopr.com
Varallo Public Relations
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Nashville, TN – 100 Oaks Plaza, LLC will lease 436,524 square feet of space at 100 Oaks Mall to Vanderbilt University Medical Center under a long-term lease agreement signed today with Vanderbilt University. 100 Oaks Plaza, LLC, owner of 100 Oaks Mall, is an investment group based in Dallas, Texas. Vanderbilt has announced its intention to establish a second location for the medical center at 100 Oaks, 719 Thompson Lane.

"When we purchased 100 Oaks Mall in December 2006, we recognized the property's tremendous potential as a mixed-use retail and office development," said Anthony T. (Tony) Ruggeri, a partner in 100 Oaks Plaza LLC and M & R Investors, LLC, Dallas. "Its location near downtown at the I-65 and Armory Drive interchange is one of its many desirable features. Obviously, the presence of Vanderbilt will create more day traffic for retailers, resulting in positive benefits for the community."

Frank Mihalopoulos, also a partner in 100 Oaks Plaza LLC and M & R Investors, noted, "The lease agreement with Vanderbilt University for its medical center is an important first step in our long-range plans for 100 Oaks, which will continue to offer retail opportunities." He noted that Vanderbilt University Medical Center will occupy a little more than half of the 850,000 square feet of total space available at 100 Oaks.

Under the lease agreement, Vanderbilt will occupy the entire second floor of the mall, the third level of the mall, and the entire office tower. Many current tenants will remain at 100 Oaks including Michaels, CompUSA, TJ Maxx, Electronic Express, PetSmart, Burlington Coat Factory, Ross and K & G Fashion Superstore. AmSouth Bank/Regions, Guitar Center and Regal Cinema will also continue to be located at 100 Oaks.

"We are in negotiations with local and national retail operations to add new tenants in the vacancies on the first level," said Ruggeri. "Current and new retail tenants will obviously benefit because of the increased number of people visiting the property each day."

Vanderbilt has announced plans to move 20 medical clinics to 100 Oaks along with accounting, patient billing and other administrative offices. It is projected that more than 1,000 Vanderbilt employees will work at the 100 Oaks site. Vanderbilt estimates the medical clinics will serve up to 2,000 patients each day. Build-out of the space is now underway. Occupancy by Vanderbilt is anticipated in July 2008.

Mihalopoulos noted that 100 Oaks Plaza, LLC is making a significant investment in the redevelopment of 100 Oaks. He and Ruggeri have been working with the city to realign traffic lights, to create better traffic flow patterns, and to reconfigure entrances and exits with a boulevard leading to the main entrance, the office entrance and the patient entrance. This work is in addition to the redesign of the exterior of the buildings in a way that provides more natural light.

"The Vanderbilt lease marks the beginning of the total redevelopment of this property as a commercial, shopping, office and medical environment," added Mihalopoulos.

Tom Jurkovich, director of the Mayor's Office of Economic & Community Development, added, "This arrangement has extraordinary upside potential for all parties involved. Vanderbilt's Medical Center, one of Nashville's most valued assets, is given needed room to grow and will do so in a setting that will revitalize the 100 Oaks neighborhood, a well-known, but under-utilized commercial corridor. It's been a pleasure to work with these parties and we welcome M&R Investors to the greater Nashville community."

James Weaver, attorney with Waller Lansden Dortch & Davis, who has assisted M & R Investors with the project commented, "Our clients have worked very closely with Mayor Purcell's Office of Economic Development to make this project a reality. Tom Jurkovich and his staff have been a real asset to both organizations as we put this project together. Councilperson Anna Page has also been wonderful to work with and her efforts have gone a long way to make this announcement possible. We believe that today's announcement is only the first of many important milestones for 100 Oaks and this important part of the Nashville community."

Metro Council Member Anna Page, who represents District 16 where 100 Oaks Mall is located, said, "The revitalization of 100 Oaks will drive redevelopment along the Thompson Lane and Nolensville Road corridors. I have spent time with developers Frank Mihalopoulos and Tony Ruggeri and Vanderbilt officials working on plans to improve area roads, interchanges and walkways. I foresee that the presence of Vanderbilt will bring restaurants, boutiques, retail shops and other community-focused services and jobs to this area of the city. The 100 Oaks property will once again be a major asset to this community and to all of Nashville."

Ken Leiser, senior vice president at CBRE, represented Vanderbilt in the lease negotiations. Janet Sterchi, vice president, and Lisa Maki, both with CB Richard Ellis, handle office leasing for 100 Oaks Plaza, LLC. John Forster, Shopping Center Group, oversees the retail leasing. Steve Johnson, project architect with Gresham Smith and Partners, is providing architecture and engineering services for the renovation and redevelopment.

100 Oaks Mall, located at 719 Thompson Lane on a 57-acre site, was the first enclosed-shopping mall built in Nashville. Through the years, it was home to a variety of well-known retailers including Harvey's and J.C. Penney. Belz Enterprises owned 100 Oaks Mall from the time it first opened in 1967 until it was sold to 100 Oaks Plaza, LLC in December 2006. The purchase of 100 Oaks Mall was the first transaction in Tennessee of Texas-based M & R Investors, LLC.