



Kane Realty Corporation, Drucker & Falk, LLC Announce Plans for North Hills CCRC

Raleigh – March 16, 2005 -- Kane Realty Corporation announced today that it has begun the initial stages of planning a continuing care retirement community (CCRC) in North Hills at Six Forks Road and I-440. The company is partnering with Drucker & Falk, LLC in the development of this upscale retirement community.

The CCRC will be built on the east side of Six Forks Road on land that Kane has recently acquired. The proximity to the newly redeveloped North Hills with its mix of uses will afford a more vibrant lifestyle for the property's residents. "In addition to retail, office, hotel and entertainment, North Hills features residential developments in what some are calling a 'new Midtown district' for Raleigh," said John Kane, CEO of Raleigh-based Kane Realty Corporation. "The addition to this district of an upscale community created for retirement living seemed to us to be a natural way for North Hills to evolve."

Drucker & Falk launched a senior living department seven years ago, and created a partnership with Duke University Health System to develop Galloway Ridge at Fearington Village, its first CCRC. That community is set to open this summer. "Our belief is that a distinguished retirement community should offer its residents a secure and comfortable environment with access to a full spectrum of amenities," said David C. Falk, Jr. of Drucker & Falk. "North Hills offers an elegant environment with a wealth of dining and entertainment options and a health club as well as essential, everyday stores and upscale retail shops."

Drucker & Falk's senior living group will lead the development of the CCRC, on behalf of the Kane Realty Corp – D&F partnership. In addition to Galloway Ridge, D&F's senior living group is developing a high end retirement community in Tidewater Virginia, at a historic hotel named The Chamberlin on the Fort Monroe Army Base. This \$ 50 million project is scheduled to break ground this summer. Bob Lippard, the Director of D&F's senior living group, has been actively pursuing a CCRC project in the Raleigh market for the past 4 years. According to Lippard "The North Hills site is as strong a site for a CCRC as is possible to find, situated as it is in close proximity to the inside the beltline neighborhoods. A key consideration for a potential resident is the ability to live in a community which allows that person to stay close to friends and family, as well shopping areas and places of worship where the person resides today, and North Hills meets those needs."

The North Hills CCRC will give its residents the ability to own their own homes and will also feature complete medical care in addition to leisure and dining options without necessitating that residents leave the community. Independent living, assisted living and skilled nursing care will be offered. Duke University Health System is interested in the possibility of providing the medical and health/wellness services that will be available to the residents of the community.

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About Kane Realty Corporation

Focused on the development and management of retail and mixed-use properties of the highest quality, Kane Realty Corporation is dedicated to the goal of creating irresistible places where people will naturally want to gather. Kane properties offer retail or retail/ office/ residential/entertainment components and provide a venue

for shopping, working, living and relaxing. Through meticulous attention to detail in every aspect of the property from design to landscaping, Kane's mission is to build places that improve the quality of life of their residents and visitors. For more information, please visit www.kanerealtycorp.com.

About Drucker & Falk, LLC

Founded in 1938, Drucker & Falk, LLC has grown to be among the top 50 largest property management firms in the nation. The Raleigh-based firm is a full service real estate company, offering expertise in residential apartment management, senior living and commercial sales and commercial property management. In March 1998, the company established its Senior Living Department. Since then, Drucker & Falk, LLC has successfully aligned itself with leaders in the seniors housing industry and high profile not for profit partners, to seek out solutions for this rapidly growing group.

About North Hills

North Hills is a new mixed-use development being built on the site where the Triangle's first enclosed two-level mall once stood. North Hills has been described as "Raleigh's Midtown" – a district designed to draw people with its sheer variety of experiences. A uniquely-designed Target, a traditional JCPenney and a 14-screen Eastern Federal Theatre has joined \$3 million Gold's Gym Athletic Club to anchor this mixed-use project that features office and residential in addition to retail, dining and entertainment. Offering both essential and luxury retail in an exceptional urban-style design, North Hills tempts visitors with three city blocks of unique retail, restaurants and cafes. For more information, please visit www.NorthHillsRaleigh.com

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