



FOR IMMEDIATE RELEASE

Contacts:

Meghan Brawley
(919) 882-1973
mbrawley@capstrat.com

**Raleigh's Newest Continuing Care Retirement Community
Coming to North Hills
The Cardinal at North Hills is Now Accepting Deposits**

Project hits major milestones: Closes on construction financing, receives Start-Up Certificate from the N.C. Department of Insurance and solidifies key partnerships

Raleigh, N.C. – May 6, 2008 – Kane Realty Corporation (Kane) and Drucker & Falk LLC today announced The Cardinal at North Hills (The Cardinal), a continuing care retirement community scheduled to open at North Hills in 2010, is now accepting deposits. The Cardinal is a joint venture between the companies to integrate retirement housing with the multi-generational, pedestrian-friendly development at North Hills and will offer an inclusive and vibrant neighborhood to enhance the well-being of residents.

Last week, the project received its Start-Up Certificate from the North Carolina Department of Insurance (DOI), which allows The Cardinal to begin reserving residences with a 10 percent deposit. The Cardinal has also closed on full construction financing, which is a sign of continuing strength and momentum for The Cardinal and all of North Hills at a time when many local developers are struggling to make the financial ends meet. In addition, key partnerships have been established to build and manage The Cardinal community.

“Although there has always been the intent to launch The Cardinal, there has never been THE moment in time, and that moment is now,” said Martha Grove Hipskind, director of senior living at Kane. “We are thrilled to begin welcoming residents to this one-of-a-kind community.”

From conveniences like banks, dining and shopping to extravagances such as high-end boutiques and spas, four-star hotel rooms, office and green space, live music, cinemas, national retailers, art galleries and coffee shops – The Cardinal offers an urban lifestyle within walking distance. Especially close at hand to Cardinal residents will be a 48,000-square-foot Harris Teeter, multiple dining options and a luxury hotel.

“For active adults considering retirement options, The Cardinal at North Hills will meet residents’ every want or need,” said John Kane, Kane CEO. “The Cardinal will combine world-renowned health and wellness services with a multi-generational community that gives residents choices, provides an active urban lifestyle, is close to home, and is located in a place where family and friends will like to visit.”

- MORE -



The Cardinal Accepting Deposits / P2

Through a relationship with Duke University Health System, residents will enjoy convenient access to world-class health care. The Cardinal's Health and Wellness Center will include the Duke Center for Living, a model program with national and local recognition for excellence that will be managed by Duke. In addition, Duke physicians will serve as medical directors for The Cardinal's on-site primary care clinic. Cardinal Health Care is also part of The Cardinal's Health and Wellness Center and will offer assisted living, memory care and skilled nursing. These facilities will provide regular health screenings, a state-of-the-art fitness center, personalized assistance with scheduling hospital visits and educational seminars featuring Duke physicians.

"One of the most notable facts about The Cardinal is the partnerships that have been forged to make certain that it isn't a typical retirement community," said David Falk, Jr., co-CEO of Drucker & Falk. "We have a team that can cater to the people and preferences in our region and focuses on the continuum of care and integrated services for senior adults."

One of the top 10 architecture and design firms in the world, Perkins Eastman, will serve as the community architect. Perkins Eastman will incorporate the latest design concepts to enhance an independent lifestyle for residents while connecting them to the wider community of North Hills. With more than 800 professionals and 10 locations, Perkins Eastman has received national recognition for its sensitivity to seniors and for providing affordable and creative solutions that bridge housing and health care.

The Cardinal will offer a variety of luxurious one- and two-bedroom floor plans ranging from approximately 900 to 2,500 square feet. Features include open kitchen designs and a private terrace for each residence. Floor plans will also offer sunrooms, study rooms, nine-foot ceilings, and high-end designer upgrade finishes such as hardwoods in all common areas and top-of-the-line appliances.

Clancy and Theys Construction Company, founded and headquartered in Raleigh, N.C., will serve as the general contractor and construction manager for The Cardinal.

For more information, visit The Cardinal sales office behind Bonefish Grill in North Hills, call (919) 781-2021, call toll free (888) 781-2021 or go online to www.thecardinalatnorthhills.com.

About Kane Realty Corporation

Focused on the development and management of retail, office, residential, senior living 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. Through concern for smart growth and meticulous attention to detail in every aspect of the property from design to management, Kane's mission is to build places that improve the quality of life of their businesses, their employees, residents, and visitors. For more information, please visit www.kanerealtycorp.com.

- MORE -



The Cardinal Accepting Deposits / P3

About Drucker & Falk LLC

Founded in 1938, Drucker & Falk LLC, is one of the oldest and most prestigious investment real estate services in the nation. Drucker & Falk offers a full array of services, including multifamily and commercial management, commercial sales and leasing, and senior housing. For more information, please visit www.druckerandfalk.com.

About Clancy and Theys Construction Company

Clancy & Theys Construction Company is a general contractor and construction manager that was founded in Raleigh, N.C. in 1949. The family-owned corporation has grown to be the largest general contractor headquartered in North Carolina. Clancy & Theys builds commercial, institutional, and multi-unit residential buildings, and specializes in team approaches to design and construction. The company is known for the high quality of its workmanship, and has completed renovations and additions to a number of the area's buildings including the State Capitol, the N.C. Governor's Mansion, the Williamsburg Lodge in Colonial Williamsburg, VA, and Carolina Country Club. For more information, please visit www.clancytheys.com.

About North Hills

North Hills, a mixed-use multi-block district known as Raleigh's Midtown, is the recipient of numerous awards and accolades for its pedestrian-friendly and sustainable design which has made it one of America's premier in-fill developments. Centrally located at the corner of one of Raleigh's main thoroughfares and the I-440 beltline, North Hills is a 100-acre destination of sophisticated living, luxury hotel rooms, class A office space, a continuing care retirement community, green space, a 14-screen movie complex and entertainment venues, premier dining, salons and day spas, high-end boutiques, national retail, and a state-of-the-art 60,000 square foot athletic club. For more information, please visit www.NorthHillsRaleigh.com.

###