



**GIANNASCA DEVELOPMENT GROUP LLC ANNOUNCES
\$2.8 BILLION DOLLAR PROJECT ON READING RIVERFRONT
*Developer Launches “RiverView,” a Mixed-Use, 110-Acre Project***

Giannasca Development Group LLC, a national design and development firm based in New York and Maryland, with new offices in Reading, recently launched “RiverView,” a \$2.8 billion dollar mixed-use project on an 110-acre tract of land on Reading’s Schuylkill River waterfront.

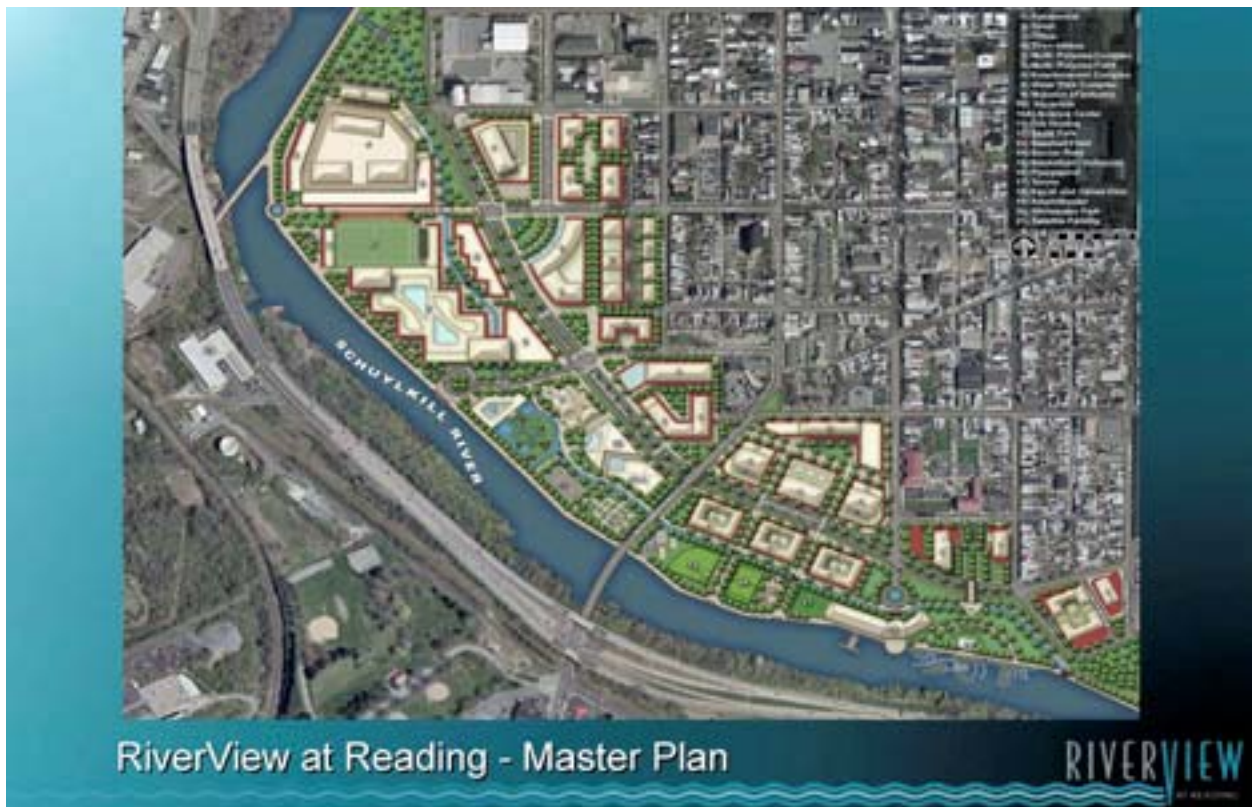
RiverView will include approximately 3,500 residential units, 525,000 square feet of office space and approximately 750,000 square feet of retail space. In addition to the renovation of the larger mostly vacant building of the Reading Hardware Company complex and other property improvements at Fifth and Canal streets, the project will incorporate the construction of over two dozen new buildings, which will include retail and professional office space on the lower floors and residences on the upper floors of most buildings as well as enclosed garages that will hold more than 9,000 publicly accessible parking spaces. A 350,000 square foot corporate office park will be located between the Reading Hardware Building and the Bingaman Street Bridge. The base of the bridge will host and provide protection for a Mercado, or open-air market.

The project also includes a state of the art biosciences research center campus that will provide value conscious satellite research space to pharmaceutical and other biotechnology companies to meet the ever-growing demand for this explosive market. It is no exaggeration to say that biotechnology is the fastest growing economic development sector in the United States. Pennsylvania is a national leader in the biosciences field with 72,835 employees, 326,226 total employment impact, 1,751 establishments, and \$5.1 billion in total wages. The RiverView Biosciences Research Center will provide a new industry for Reading supplemented by the highly educated workforce generated by the local colleges and universities. These institutions, partnering with the RiverView Biosciences Research Center, will create high paying jobs in an industry that boasts average employee salary of \$69,474 in Pennsylvania, nearly twice the average private sector wage (\$38,055) for all workers in the state.

RiverView Residences will consist of single level and loft designs available as for sale condominiums and rental apartments, as well as an urban high-rise Continuing Care

Retirement Community (CCRC), a new trend in retirement living. The CCRC will complete the RiverView project's goal of providing an active self sustaining green community with residents of all ages ranging from young professionals, market rate homes for the general population and families of those working in the research center, offices, retail, healthcare and educational facilities, empty nesters, and retirees, all yearning for a live-work environment, the cultural and entertainment related activities available in the City, and the advantage of education opportunities located nearby and within the community.

RiverView is planning a charter school where neighborhood children can be educated in accordance with the State curriculum combined with specialized vocational training geared toward the fields of biotechnology, education, health care, business, and advanced manufacturing, so students advance seamlessly via a concurrent degree program with the local colleges and universities, and then work in the various components of the community where they live upon graduation. RiverView will form a cohesive union with Reading Area Community College (RACC) located adjacent to the north end of the site, and other areas colleges and universities, for the RiverView Charter School, CCRC, and Biosciences Research Center components to develop educational programs to produce a workforce comprised of lab technicians, blood work technicians, clinical researchers, scientists, nurses, educators, healthcare workers, and other specialists. Business and service related educational programs would also create the workforce and business owners for the corporate office park, professional office space, and retail establishments. Instruction will be offered both at nearby academic institutions and satellite classrooms within the RiverView project.



The waterfront property along the Schuylkill River will become an active public park that will not only serve the needs of the RiverView project, but also will be a destination for much of the city's residents, and attract visitors from beyond the city limits. The Public Park will contain open space and a 1.3 mile promenade and sea wall with adjacent uses that begin with year round recreation and entertainment at the north end near the busy Penn Street Corridor, then progress to more passive uses at the south end, culminating in a renovated Heritage Park. A prominent feature of the Public Park will be the reopening of the historic Schuylkill Canal meandering through the full length of the park and its various components bordered by shops and restaurants with outdoor cafes. The Public Park will feature uses that promote tourism such a multi-purpose sports complex, a multipurpose sports field, and entertainment complex, an indoor-outdoor water park, a Museum of Industry, a Science Center, and an Aquarium. Giannasca Development Group has proposed to relocate the R-Phils AA Baseball affiliate of the Philadelphia Phillies to a new multi-purpose sports complex within the RiverView project consisting of a downtown ballpark, which would incorporate restaurants and retail spaces that would serve both the teams patrons and the public walking on the promenade and pedestrian corridors surrounding the stadium. Other active and passive features for the use of City residents will include a deck hockey rink, a world-class skateboard park, tennis, basketball and volleyball courts, baseball and soccer fields, an amphitheater, as well as other attractions. A community building will be provided that includes a community room, a swimming pool, a day care center and playground. Small watercraft launching facilities and a whitewater course built into the Schuylkill River will be provided along with a kayak and canoe club building. Bike and foot trails will link the Schuylkill Trail to the proposed Neversink Mountain Trail extension. Tree harvesting in Heritage Park has already been completed and site preparation of other areas is expected to begin shortly.

The RiverView project site now consists of underutilized property and in a zoning district that, until Giannasca Development Group recently was successful in obtaining a Planned Residential Development overlay district, only allowed manufacturing and commercial uses. This old fashioned method of industrial use was left over from the early days of Reading when the primary use of the Schuylkill River was the transportation of goods to riverfront businesses, and coal to far away cities like New York. In order to give the downtown waterfront back to the citizens of Reading, Giannasca and the existing property owners will be working together to relocate these businesses. Many are located in century old buildings with outdated equipment in dire need of expansion and upgrading. To accommodate this need, Giannasca Development Group has partnered with local municipalities, RiverPlace Development Corp – a local non-profit community group, a large industrial development partner, and experts in the fields of urban site redevelopment, green manufacturing and advanced manufacturing techniques such as direct digital manufacturing production methods. This Public Private Partnership was designed to offer the relocated business the opportunity to relocate, while transforming their businesses to increase production while reducing costs enabling them to recapture manufacturing business lost due to cheap foreign labor and raw material costs. Together we created the Berks Urban Core Redevelopment (BUCR) projects, which combined four planned industrial/mixed-use redevelopment sites with the transportation improvements that enhance them. The RiverView project's 900,000 square feet of existing businesses will have the opportunity to be the anchor users of these redevelopment sites, which all told equal an area of 215 acres of Industrial use,

293 acres of light manufacturing/ mixed-use, and 264 acres of Park/Public Recreation, for a total of 775 acres. More information on the BUCR projects can be seen by visiting the firm's web site Projects page at www.GiannascaDevelopment.com

"We are excited about the RiverView project," said Reading Mayor Thomas McMahon. "Not only will the project improve the quality of life for the residents of the city, the developer estimates that it will create more than 10,000 local and 30,000 statewide jobs during construction, and when completed, the project will generate over 2,000 permanent jobs for city residents and approximately \$58 million annually in additional tax revenue for the city. To that extent, it represents the beginning of what I see as a new era of urban revitalization for our great City of Reading."

The RiverView project and other projects recently completed and planned have already inspired studies for several public works efforts such as a City-wide Parking, Traffic, and Signage study, and the Penn Street and Bingaman Street bridge improvements. Investigation has been initiated into establishing a new access route into the City via the 9th Street Corridor, and the re-establishment of rail freight access into the property now occupied by Corrstack and the Evergreen Community Power biomass plant. Berks County and the City of Reading have actively pursued the revitalization of the City and the land along the Schuylkill River for the last decade. Projects like the Sovereign Center, Goggleworks Center for the Arts, R/C IMAX Theater, and the proposed Goggleworks Apartments, Doubletree Convention Center Hotel, and the RiverView project will attract young, educated workers and innovative companies that will be the base of the areas new economy.

"This project is an excellent example of the type of private investment that has been attracted to local communities, thanks to our revitalization efforts," Governor Edward G. Rendell said. "I am excited about the overall effect this project will have on the City of Reading, along with the positive economic impact it will have on the entire state."

Giannasca Development Group LLC has support from the businesses currently located at the RiverView site. The development team and the City have been working on a comprehensive plan to relocate these businesses to underutilized existing industrial buildings and new state-of-the-art industrial properties within the City and County.

"This project will enable us to bring to Reading the quality projects and environments we've brought to other cities, like New York, Baltimore and New Orleans," said Edward V. Giannasca, AIA, NCARB, Chairman of Giannasca Development Group LLC. "We are not just creating mixed-use spaces; we're fostering a sense of place and providing an environment that will inspire civic pride on the part of the residents. We see extraordinary potential for Reading, given its proximity to beautiful mountainsides and the riverfront with easy access to New York and Philadelphia." Numerous examples of Giannasca projects can be seen by visiting the firm's web site at www.GiannascaDevelopment.com.

Giannasca said it was the invitation from Mayor McMahon and follow-up by the Mayor's staff as well as the foresight and master planning of people like Al Boscov, David Thun, and Michael Ehlerman that attracted the developer to Reading. Boscov, Thun and

Ehlerman also serve on the firm's Advisory Board for the project along with Ivan Torres, another of Reading's prominent business leaders. Giannasca's subsequent review of the initial efforts of RiverPlace on the Schuylkill, a community-based non-profit organization that undertook an intensive regional planning process with over 500 participants, with a mission to use the power of the River as a catalyst to unite communities and foster economic development, and the interaction with Bob Behling, Executive Vice President of RiverPlace Development Corporation, and the rest of his staff, as well as support from many other members of the community, secured the firm's commitment to the project. "The County Commissioners and Planners have also been very helpful, having previous knowledge of the benefits of Smart Growth, revitalization of industrial sites, and Planned Residential/Traditional Neighborhood Developments" said Jim Burdge, Chief Operating Officer of Giannasca Development Group LLC.

"This project will be the largest economic development project in the history of Berks County, and one of the largest in the State of Pennsylvania", said Christian Leinbach, Berks County Commissioner, when interviewed recently on radio station WEEU's "Meet the Commissioner" radio show. "While we have to protect our taxpayers and we need to make sure this is done in a responsible way, I am willing to give Giannasca Development Group the opportunity that they are asking for to make a tremendous difference in our economy", he said.

Other features of the RiverView development include a new trolley route along the riverfront from the project to First Energy Stadium to link to the currently proposed trolley line along Penn Street, and a new raised bulkhead along the riverfront to remove the project from the flood plain and create the elevated waterfront promenade for public use and enjoyment. The developers hope this concept catches on and the promenade is extended upriver and on the opposite side similar to how Baltimore created a seven mile continuous promenade while Edward V. Giannasca II, President and Chief Executive Officer of Giannasca Development Group LLC, served on Mayor O'Malley's promenade board. They also propose to replicate the Schuylkill Canal Boats to provide transportation up and down the canal and river.

The RiverView project will be environmentally responsible including certification from Leadership in Energy and Environmental Design (LEED). RiverView will be Reading's first green community, to add to the Berks County Community Foundation's Headquarters and Community Conference Center, Reading's first LEED-Certified green building which broke ground in September 2008. The RiverView project will not only use many green building technology features in the buildings' core and shell, but will also incorporate Building Integrated Photovoltaic (BIPV), solar, green roofs, and other methods to conserve and produce energy. RiverView, as well as the Berks Urban Core Redevelopment, are seeking to incorporate large-scale energy infrastructure components such as hydropower, cogeneration, fuel cells, geothermal, high efficiency central plants, and a large utility-scale solar plant on part of the 200 acre landfill reclamation component of the BUCR project.

"This project will benefit the entire City of Reading not just the residents and businesses of the development," said Edward V. Giannasca II. "We plan to recruit from the local workforce creating new job opportunities during construction. As each component of

the project is completed employment opportunities will continue to grow with the opening of new restaurants, shops, businesses, and the biosciences and retirement facilities, as well as positions staffing the public park, recreational and entertainment facilities along the river. This will be the beginning of an exciting new era for Reading, Pennsylvania.

The RiverView project fulfills the need for quality housing and business space for those looking to relocate to Pennsylvania in these tough economic times. Forbes Magazine recently ranked Reading in the Top Ten Rising-In-Value Real Estate Markets, and stated it has the lowest urban housing prices in the country, according to a 2006 U.S. Census ranking of the most populous 500 cities, and that commuters from as far away as New York are resettling there. The Today's show's real estate consultant, Barbara Corcoran ranked Reading as the #1 "Up and Coming Neighborhood" in the country to find value and make money in Real Estate during the nationwide decline in values and increase in foreclosures. This value has attracted investors and lenders to the RiverView project even during the current tumultuous financial market. "The projects location in Reading using the assets of the existing infrastructure has been leveraged by the State of Pennsylvania and the US Government who worked with local County and City officials to develop enhancements such as Governor Rendell's Economic Stimulus program, the creation of Keystone Innovation Zones, and Federal Tax Credit programs extended during the stock market downturn including the Renewable Energy and Job Creation Tax Act of 2008, the Emergency Economic Stabilization Act of 2008, and the American Recovery and Reinvestment Act of 2009, which were enacted to shore up the nations economy", said Alicia Giannasca, Chief Financial Officer of Giannasca Development Group LLC. "Those enhancements attract lenders and investors even in the current market, since they create a strong financial structure for the project", she said. RiverView will also pursue Tax Increment Financing as well as non-taxable and taxable bond financing to assist with the infrastructure and public improvements necessary to complete the project. The project is made up of many components, each able to be financed individually, thus feasible in the current market not prone to finance large institutional commercial loans.

"RiverView is a great example of Smart Growth community development and the benefits of this project are considerable," said Mayor McMahon. "I think we are finally seeing the realization of the potential and opportunities available in the City of Reading as previously outlined in studies by Sasaki Associates, the Brookings Institute, the Fels Institute and the Berks County Comprehensive Plan." Ironically, it was the Sasaki Associates study of opportunities for riverfront development commissioned by RiverPlace that peaked Giannasca Development Group's interest to develop along the Schuylkill River. They later learned from Sasaki Associates representatives that they used the master planning they had done for previous projects Giannasca's principals were involved with along Baltimore's Inner Harbor as an example of their waterfront planning expertise in their proposal to RiverPlace.

Leasing has already started for the remaining office space in the 95% occupied existing Reading Hardware Building and it's adjacent sister building. The first new tenants scheduled to take occupancy starting in April 2009. For more information about RiverView, call (610) 685-2555 or visit www.GiannascaDevelopment.com.