



UNITED DEVELOPMENT CO.

PRESS RELEASE

For Immediate Release

Netherlands Real Estate Investment Company Acquires N3, Begins US Expansion

Fort Worth, Texas -- September 26, 2007 -- United Development Co. (UDC), a privately held international real estate investment and development company headquartered in the Netherlands, has acquired majority interest in Fort Worth, Tx. - based N3.

Tim Berry, a principal of N3, and Biff McGuire, CEO of United Development Co. confirmed closing of the deal which gives UDC controlling interest in N3, also a private company.

McGuire said that N3 will continue to operate its successful model as a nationally-recognized developer of credit tenant net lease sites for high profile retailers. Since its start in 2003, N3 has built quite a niche for itself while winning the confidence and repeat business from a number of powerhouse retailers including Chase Bank, Starbucks Coffee and Panera Bread.

As a credit tenant net lease developer, N3 owns the land and building, which they construct to the retailer's specifications. A full service construction division is also part of N3 and is included in the UDC acquisition. Since its founding, the fast-growing N3 has completed 74 developments in 14 states totaling \$100 million.

Today N3 has more than 50 projects under construction ranging from 1,700 sf, free-standing pad retail sites, to a 200,000 sf power center. Current holdings from these retail sites are in excess of \$90 million, with an additional \$40 million in tenant-paid construction costs.

"N3 is one of the most professional, dynamic retail developers in the southwest," commented McGuire. "They have built and are growing a high-profile tenant network, and their reputation for quality developments is first rate," he added.

McGuire said that there will be few to no changes in the N3 operation, or with the staff of 33 professionals in the Fort Worth headquarters. According to McGuire, United Development is providing a capital infusion that will help expand N3 and spring board opportunities for UDC to grow its real estate holdings in the United States.

United Development is a 10-year-old real estate holdings company. UDC's entry into America came in 1997 with The Frog at the Georgian. The Frog is a 2,000 acre planned development around a Tom Fazio golf course. Last year, UDC began expanding its real estate

holdings in United States with additional residential developments in Atlanta and Baton Rouge, La. To date, UDC owns more than \$100 million in American residential real estate.

UDC Expansion Strategy

The new United Development Co. with its N3 alliance comes out of the gate with a \$190 million portfolio and an aggressive growth plan that calls for expanding domestic holdings to \$2 billion by 2010.

UDC is targeting high quality retail, residential and hospitality development projects in excess of \$2 million, and plans to close on four transactions per month. The geographical focus centers on three Sun Belt regions, including Texas and Oklahoma; Georgia, Florida, the Carolinas, Arizona and Nevada.

Investment and development categories UDC is focusing on are:

Retail -- credit tenant, such as it is doing successfully with Chase Bank, Starbucks and others; medical office; retail pad sites and big box retail development.

Residential -- single and multi-family community developments and mixed-use development.

Hospitality -- golf courses, resorts and conference centers and limited service hotels.

United Development's American headquarters is in Fort Worth with its N3 operation. The company also plans on opening offices in Atlanta and Phoenix.

A.D.J.G. "Ton" van Dam of the Netherlands, is the founder and chairman of United Development Co. Mr. van Dam started UDC with momentum from a previous real estate conglomerate, where he was a founding partner in Multi Development, also of the Netherlands. Multi Development was one of the largest development companies in Europe, with more than \$2 billion in annual revenues before its sale to Morgan Stanley. United Development CEO Biff McGuire orchestrated the N3 acquisition and oversees the company's North American portfolio.

McGuire said they have hit the ground running with a couple of solid investments already in closing.

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