

News Release



**For information contact:
Lorri Shaban, APR
CNL Real Estate & Development
(407) 650-1026**

CNL REAL ESTATE & DEVELOPMENT OPENS REGIONAL DEVELOPMENT OFFICE, FINALIZES PURCHASE OF LAND FOR RESIDENTIAL COMMUNITY IN TALLAHASSEE

(ORLANDO, Fla.) January 18, 2007 – CNL Real Estate & Development, a subsidiary of Orlando-based CNL, announced today it has opened a regional office in Tallahassee, Fla. and has acquired a large piece of land just minutes north of Florida’s Capitol on which it plans to build a walkable, mixed-use residential community.

“We are very excited about what we see taking place in this market,” said CNL Real Estate & Development President Timothy D. Edmond. “As the state capital and home to two growing universities and a large community college, Tallahassee enjoys a relatively stable economy even when other markets are fluctuating. Our research indicates a pent-up demand for new homes and traditional neighborhoods here, so we believe it’s the right idea in the right market at the right time.”

Edmond said having a regional office in Tallahassee will help the company better manage the development of the new community and also source other opportunities in the Southeast.

“It’s all part of our growth plan and will enable us to ramp up in key markets we’ve targeted in our business strategy,” he said.

New Community to Break Ground in Late 2007

With the Tallahassee property closing now complete, the company expects to spend the next several months securing government approvals and permitting, with groundbreaking planned in late 2007.

Still in development, the land plan calls for extensive parks, civic gathering places, commercial space and a diverse mix of housing with a unique architectural style representing a fresh, updated interpretation of new urbanism. The core of the community will celebrate the property's innate beauty and natural assets, including its adjacency to the Miccosukee Canopy Road Greenway, a 10-mile linear public park of rolling hills, grassy meadows and untouched oaks.

CNL Real Estate & Development agreed to purchase the tract from Powerhouse, Inc. The purchase price and terms of the agreement were not disclosed.

“We are excited about this opportunity,” said Edmond. “Without a doubt, this community will become a showcase for our company and, we hope, for Tallahasseeans themselves.”

- cnl -

About CNL Real Estate & Development

A full-service real estate development company, CNL Real Estate & Development acquires, plans, permits and develops communities in key markets in the Southeast United States. Its breadth of experience includes both residential and commercial projects, including master-planned communities, office, mixed use, urban infill and resort properties. For more information, visit www.cnl.com/realestateanddevelopment.

CNL Real Estate & Development is part of CNL, one of the nation's largest, privately held real estate investment, development and money management companies. Since its inception in 1973, CNL has formed or acquired companies with more than \$19 billion in assets, including hotel, retail, restaurant, seniors' housing and leisure properties. For more information, visit www.cnl.com.