

For Immediate Release

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**Kilbourne Group and U.S. Bank Reach Option Agreement on
Broadway Block**

FARGO, ND – August 12, 2009 – Kilbourne Group announced today that it has reached a real estate purchase option agreement with U.S. Bank for property located between Second Avenue and Third Avenue North and along Broadway in downtown Fargo, North Dakota. The property is currently occupied by the U.S. Bank surface parking lot and plaza. It is owned and controlled by U.S. Bank.

The purchase option agreement gives Kilbourne Group the option to buy the property within the next three years. It is the first step in the economic and design feasibility studies needed to establish possible development plans for the property. Such detailed and multifaceted studies often take a significant amount of time to complete. Kilbourne Group will work closely with U.S. Bank and the City of Fargo during the studies to determine how best to enhance downtown Fargo through the property's potential development.

"We are excited to have reached this agreement with U.S. Bank. Ron Robson (regional president for U.S. Bank and based in Fargo) has been a great champion in helping us accomplish this milestone," said Doug Burgum, chairman and founder of Kilbourne Group.

Given the significance of the property's location, its development – including sensitive and appropriate infill construction as well as thoughtful and innovative open space – would have a tremendous impact on the future of downtown Fargo.

"All involved parties understand the significance of this central Broadway block to the future of downtown Fargo," said Burgum. "Our design vision is to develop the property to benefit all of downtown Fargo and create innovative synergies with adjacent future projects such as a new high-capacity, city of Fargo-owned parking ramp."

"The existing ramp has continued to deteriorate as confirmed by last week's inspection and this week's recommendation to discontinue its use," said Pat Zavoral, city administrator at city of Fargo. "We look forward to working with Kilbourne Group and U.S. Bank to possibly create plans for a parking ramp that will better serve downtown Fargo now and well into the future."

Both Kilbourne Group and U.S. Bank see great synergy for a public/private partnership in the planning and development process, with the city of Fargo playing a key role as related to the potential construction of a parking ramp to replace the existing ramp. The current ramp is connected to the downtown Fargo skyway system, which provides convenient access to City Hall, restaurants, retail shops, financial institutions, lodging, and meeting and entertainment venues – including the city-owned Fargo Civic Center.

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“We’re grateful to partner with Kilbourne Group given their commitment to the revitalization of downtown Fargo and to creating new properties that honor the past and inspire the future,” said Robson. “As a corporate citizen, this is right thing to do, and we enthusiastically look forward to being an active participant in the process.”

“We owe much to Dave Anderson of the Downtown Community Partnership for helping facilitate our relationship with Kilbourne Group,” added Robson. “We look forward to continued teamwork with all involved parties as we enter the economic and design feasibility studies.”

Mike Allmendinger, general manager of Kilbourne Group, noted that while this important Broadway-facing property offers many design opportunities that could add to the context of historic downtown Fargo, planning is only in the very early stages.

“The viability of the project depends greatly on collaboration between the key stakeholders – U.S. Bank, the city of Fargo and Kilbourne Group – to create an outcome that works economically for everyone,” said Allmendinger.

Development of the surface parking lot and plaza property would qualify for incentives within the Fargo Renaissance Zone Plan. Moving forward with development efforts depends greatly on the interest of potential tenants.

“By no means are we unveiling any design concepts at this time,” said Allmendinger. “A key component of making this project a reality is securing retail and office tenants prior to breaking ground. This is a great opportunity for businesses looking to locate in downtown Fargo, and we welcome discussions with them.”

About Kilbourne Group

Kilbourne Group is a collective team led by Doug Burgum that is committed to inspiring and supporting the redevelopment of downtown Fargo. The Kilbourne Group team shares the vision of retaining and carrying forward the history of Fargo through the restoration of historic buildings and the creation of new buildings that honor the past and inspire the future.

For more information, visit www.kilbournegroup.com.

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