

**JCPENNEY SELECTS LOCAL TEAM TO DEVELOP LAND
SURROUNDING PLANO HOME OFFICE**

The Karahan Companies, KDC, and Columbus Realty chosen as developers

PLANO, Texas (Feb. 6, 2014) – JCPenney announced today that it has entered into a new partnership to develop the vacant land around its Plano, Texas home office in the Legacy Business Park. The new partnership will be managed by Team Legacy, a venture of the Karahan Companies, Columbus Realty, and KDC.

The new project, Legacy West, consists of 240 acres at the southwest corner of the Dallas North Tollway and State Highway 121, and is considered a prime office and mixed-use development site in the heart of Legacy Business Park, one of the premier business parks in the country. Legacy West will be a natural extension of Legacy Town Center, a mixed-use development presently located only on the east side of Dallas North Tollway.

JCPenney purchased the land in 1987, shortly before moving from New York City to Texas, and completed its Plano home office in 1992. The Company was one of the first to move to the Legacy corridor, which is now home to multiple Fortune 500 companies and is a leading shopping, dining and living destination.

“We have seen a great deal of business and residential growth around the home office over the last 25 years, and now is the time to capitalize on this attractive asset,” said Katheryn Burchett, senior vice president of real estate and property development at JCPenney. “Karahan, Columbus, and KDC are trusted partners with a respected reputation, and we believe they will develop the land adjacent to our home office thoughtfully. This new project will be a positive venture for our Company, our associates and all of North Texas.”

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About JCPenney:

J. C. Penney Company, Inc. (NYSE: JCP), one of the nation's largest apparel and home furnishing retailers, is dedicated to becoming America's preferred retail destination for unmatched style, quality and value. Across approximately 1,100 stores and at jcp.com, customers will discover an inspiring shopping environment that features the most sought after collection of private, national and exclusive brands and attractions. For more information, please visit jcp.com.

About The Karahan Companies

The Karahan Companies has been actively involved in Dallas Fort-Worth real estate since 1992. The Company has developed neighborhood and grocery anchored retail projects throughout the Metroplex, including such projects as the 110-acre mixed-use MacArthur Crossing development featuring office, hotel, medical and retail uses, as well as the award-winning Shops at Legacy in Legacy Town Center, one of the most successful mixed-use projects in the United States. The Karahan Companies maintains its offices in the heart of Legacy Town Center and is an active and contributing corporate citizen in the City of Plano and Collin County. For more information, contact the Karahan Companies at 214.473.9700.

About KDC

KDC, one of America's leading commercial real estate development and investment companies, provides a full range of commercial real estate services including corporate build-to-suit development, acquisitions, corporate facility project/construction management, project financing, asset and land management, and marketing and leasing. KDC is headquartered in Dallas and has offices in Austin and Houston, Texas, and Charlotte, N.C. KDC has been active in the Legacy Business Park since 1994, having developed or redeveloped more than three million square feet. Clients include Countrywide, Encana, PepsiCo, Intuit, AT&T, St. Jude Medical, Denbury Resources, Rent-A-Center, and Tyler Technologies. KDC's largest undertaking in the Legacy Business Park was its acquisition of The Campus at Legacy, formerly EDS' three building campus totaling 1.1 million square feet. For more information, please visit kdc.com.

About Columbus Realty

Columbus Realty Partners was formed in 1987 by Robert Shaw and Roger Staubach, to develop and build Class A multifamily residential properties in preeminent Southwest markets and their mixed-use submarkets. In 1993, they took the company public as Columbus Realty Trust, a Real Estate Investment Trust traded on the NYSE. Following a merger with Post Properties in 1997, the principals resumed their partnership and continue on today, having been involved in the development of over 15,000 apartments, condominiums, and townhomes, as well as integral ground floor retail space. Most of that development has been in the premier submarkets of Uptown Dallas, Uptown Denver, Midtown Houston,

Austin Domain, Fort Worth West 7th, Addison Circle, and the largest – Legacy Town Center – with over 3,000 apartment homes. For more information, contact Columbus at 214.635.4720.

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