



# NEWS RELEASE

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## RANCH DEVELOPMENT COMPANY FILES FOR REORGANIZATION

Ranch Development Company (RDC), the owner of Stonebridge Ranch, a residential development in McKinney, Texas, today filed for reorganization under Chapter 11 of the United States Bankruptcy Code. RDC's sole shareholder is the FSLIC Resolution Fund, which is managed by the FDIC. Bankruptcy protection was sought to preserve the value of the development for RDC's creditors and for the owners of property and homes at Stonebridge Ranch.

Stonebridge Ranch is a 6,230-acre master-planned, mixed-use community located approximately 30 miles north of the central business district of Dallas. Development began in early 1986 and has continued to the present time.

Stonebridge Ranch has seven residential subdivisions comprising 1,102 developed residential lots, two championship 18-hole golf courses, two clubhouses, a beach and tennis club, an equestrian center, 13 lakes and over five miles of hiking and bike trails. Since inception, over \$300 million has been expended in its development.

RDC had asked the Bankruptcy Court to replace current development manager Richard C. Strauss with a property and management subsidiary of Club Corporation of America, Dallas. The Bankruptcy Court has entered an order appointing the subsidiary as interim manager. The previous management agreement was entered into by Gibraltar Savings Association when development began in 1985. It is expected that the filing of

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bankruptcy and the replacement of management will facilitate the sale and continued development of the Stonebridge Ranch.

"These changes are expected to significantly reduce costs while a purchaser is sought," said Cody L. Buck, Chairman of the Board of RDC.

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