



NEWS RELEASE

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RANCH DEVELOPMENT COMPANY RECOMMENDS PURCHASER OF
STONEBRIDGE RANCH, MCKINNEY, TEXAS

Mr. Yukio Kitano of Honolulu, Hawaii, and Osaka, Japan, has submitted a bid of \$61 million to purchase Stonebridge Ranch, a 6,230-acre master-planned community located in McKinney, Texas, just north of Dallas. Ranch Development Company, whose sole shareholder is the Federal Deposit Insurance Corporation, today filed a recommendation with the U.S. Bankruptcy Court for the Eastern District of Texas to accept the bid.

The recommendation was submitted to the federal bankruptcy court along the lines of the original bankruptcy petition filed on March 14, according to Cody Buck, chairman of the board of Ranch Development Company. Buck said that the original petition indicated that Ranch Development Company expected to receive bids for the property with the purchase price exceeding \$45 million.

Marketing of Stonebridge Ranch began in April, with more than 170 investor information packages mailed to prospective purchasers by Ranch Development Company. Three bids were received for the purchase of the property, of which Mr. Kitano's was the high bid.

Each bid was required to be accompanied by a \$1 million cash deposit to eliminate any but serious and qualified bidders. Mr. Buck indicated that Ranch Development Company was pleased with the interest shown in Stonebridge Ranch and the results of the offering.

The property has more than 270 homes already occupied and approximately 394 homesites sold. An independent research firm based in Dallas has reported that more homes were sold at the community than any other development in the

(more)

Dallas/Fort Worth area in 1989. Nearly 60 lots were sold for net proceeds of \$1.9 million since Ranch Development Company's March bankruptcy filing.

Existing zoning allows for more than 27,500 housing units and 91 million square feet of retail, commercial, office, research and industrial space to be developed. The property contains two championship golf courses, a beach and racquet club with a swim area, a small marina, equestrian facilities and other amenities.

Mr. Kitano is a Japanese businessman and a major shareholder in a Hawaiian bank. The FDIC is manager of the FSLIC Resolution Fund, which Congress created in 1989 to assume the management of assets and liabilities from receiverships of the former Federal Savings and Loan Insurance Corporation (FSLIC). Stonebridge Ranch was acquired by the FSLIC from Gibraltar Savings Association, Houston, which was closed December 28, 1988.

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