

FOR IMMEDIATE RELEASE:
March 24, 2014

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DOUGHERTY FUNDING LLC KEY PLAYER IN \$250M MALL OF AMERICA EXPANSION

MINNEAPOLIS LENDER AT THE CENTER OF MOA'S MUCH-ANTICIPATED EXPANSION

MINNEAPOLIS, MN: Dougherty Funding LLC announced recently that it has closed on the latest financing for the much-anticipated expansion of the Mall of America in Bloomington, MN. The considerable expansion, which will be located on the north side of the existing mall, will include more than \$250 million dollars in new construction once completed. The official groundbreaking took place on Tuesday, March 18th.

Labeled by Mall officials as 1-C Expansion, the newest expansion will include a 342-room JW Marriott luxury hotel, 160,000 square feet of upscale retail shops, a new dining area, an underground, 545-space parking ramp and an office building. Previous expansion also took place in December 2011 with the \$120 million construction of the 500-room Radisson Blu Hotel, which Dougherty financed and served as disbursing agent. The hotel opened in March 2013.

Dougherty's involvement in the remaining development of the 1-C Expansion comprises multiple roles, including lender, placement agent and master disbursing agent.

- Dougherty serves as the lead lender, placement agent and master disbursing agent for the \$110 million retail expansion. The Minneapolis-based lender arranged \$65 million in debt funding and placed an additional \$45 million of debt with two other lenders.
- The JW Marriott hotel is a \$106 million project that Dougherty Funding will serve as the disbursing agent during construction.
- Below the retail expansion and the new hotel is the north-side parking garage, a \$34 million construction project in which Dougherty Funding will serve as disbursement agent. It likewise served a similar role for a new \$20 million development of a south-side parking garage as well.

The expansion will be the mall's largest since it opened in 1992 by the Ghermezian family of Canada. Previous expansions have included the IKEA store and the aforementioned Radisson Blu hotel. The 14-story JW Marriott hotel will be connected to the mall by skyway and owned by the Shakopee Mdewakanton Sioux Community. JW Marriott, the hotel chain's luxury concept, will include a full-service restaurant and bar, grand lobby with another bar, fitness center, pool, meeting space and a ballroom that will open in October 2015.

"Given the complex financing parameters, we are very pleased with the financing package delivered by Dougherty Funding. They showed unique creativity," said Triple Five Senior Vice President, Kurt Hagen.

"Mall of America is an iconic retail and entertainment destination known around the world," said Tom Lander, vice president at Mortenson Development, which serves as the project's master developer. "We are pleased to be the development and construction partner for this important expansion and once again to work with the Mall as it continues to focus on delivering a world-class experience, and with Dougherty as a financing partner in this expansion."

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About Dougherty Funding LLC

Since 1996 Dougherty Funding LLC has offered a broad range of commercial finance solutions to real estate developers and corporations nationwide. Dougherty Funding serves as the lead lender in all of their transactions and funds each financing by selling loan participations to an extensive network of banks and institutional lenders throughout the U.S.

(<http://www.doughertymarkets.com>)