

# Forest City and Greenland Group Close on Joint Venture at Atlantic Yards in Brooklyn

Published: July 1, 2014 8:00 a.m. ET

CLEVELAND, BROOKLYN, N.Y. and SHANGHAI, July 1, 2014 /PRNewswire/ -- Forest City Enterprises, Inc. and Greenland USA, a subsidiary of Shanghai-based Greenland Group Co., today announced that they have closed on a joint venture to develop Atlantic Yards, a 22-acre residential and commercial real estate project in Brooklyn. The two companies had announced the execution of a definitive agreement for the joint venture in mid-December 2013.

The joint venture covers both phase one and phase two of the project – excluding Barclays Center and the first residential tower, B2 BKLYN – including infrastructure, a permanent MTA rail yard, a platform above the rail yard, future residential units and future commercial high-rise development. The Committee on Foreign Investment in the United States (CFIUS) as well as the government of China have approved the joint venture.

Under the joint venture agreement, Greenland USA has acquired 70 percent of the project and will co-develop the project with Forest City, with both organizations sharing in all project costs going forward in proportion to their ownership interests. In addition, Greenland USA will make a capital contribution to reimburse Forest City for certain costs incurred to date. Forest City, through its New York-based subsidiary, Forest City Ratner Companies (FCRC) in partnership with Greenland USA, will co-manage day-to-day activities and will develop the project consistently with the approved master plan.

David J. LaRue, Forest City President and CEO, said, "We welcome our new partners to Brooklyn and look forward to working with them to deliver this very important project to market. We have always believed strongly in Brooklyn and New York City and greatly appreciate Greenland's shared vision for Atlantic Yards and on-going development in the borough. In particular, we look forward to expediting the construction of the housing component of Atlantic Yards, something that will benefit significantly from this new investment."

Zhang Yuliang, Chairman and President of Greenland Group, said, "As a company, we believe in a shared sense of community. We're very excited to join Forest City in Brooklyn. Together, we're confident we can expedite the construction of Atlantic Yards and build a new community within this extraordinary borough. New York City, like many great urban areas, is working diligently to create housing for a diverse group of people. This is something that we are excited to be part of. We are confident that Atlantic Yards will become a world-class example of how to build housing for a wide-range of people, building on the history of New York as a place of promise for all."

Bruce C. Ratner, Executive Chairman of FCRC said, "We are so proud to welcome Greenland USA as our partner for Atlantic Yards. Their commitment to the project – and to Brooklyn – was clear from day one. They have already been great in their willingness to close on this important

partnership in a record period of time, recognizing that together we can bring the promise of Atlantic Yards to market faster and more efficiently. As I said earlier, Greenland's interest and willingness to make this investment is an extraordinary vote of confidence in our City and State and we look forward to working with them as we bring Atlantic Yards to completion, especially the 6,430 units of housing, including 2,250 units of affordable housing."

Jin Xu, First Executive Vice President of Greenland Group, said, "Atlantic Yards is an exciting project that will transform its surroundings and create a beautiful community. The partnership between Greenland Group and Forest City, although not official until this point, has already worked tirelessly on putting together the joint venture and planning the next steps of the project. I have no doubt that this strong effort and eagerness to create an unparalleled development will continue and will allow for the fulfillment of this goal."

Atlantic Yards is Greenland's second project in the United States. Last summer, Greenland purchased the largest remaining development site in downtown Los Angeles and plans to build a high-rise hotel and three high-rise residential towers. The Shanghai-based developer is the number one multiple-function real estate developer in China, with projects in more than 80 cities in 29 provinces in China. Greenland Group is respected in particular for developing well designed, high-rise buildings that are part of large urban complexes built around transit and high-speed rail. Four of their 23 ultra-high-rise buildings currently under construction are among the ten tallest buildings in the world.

In 2012, Greenland Group ranked 359th among Fortune Magazine's list of the Top 500 global enterprises, 73rd among Top 500 Chinese companies, and number one among Chinese real estate enterprises. It achieved revenues of \$36.6 billion and a total profit of approximately \$2 billion in 2012.

MaryAnne Gilmartin, President and CEO of FCRC, said, "I applaud Chairman Zhang Yuliang, Jin Xu and Ifei Chang for their willingness to work many hours over a very short period of time to finalize this partnership. Their eagerness to get to work has set a new standard of excellence for all of us. I look forward to working with them and their talented colleagues. They have shown repeatedly that they are innovative, design focused and understand infrastructure and vertical construction, values that we share at Forest City."

Ifei Chang, President and CEO of Greenland USA, said, "We fully anticipate that Atlantic Yards will shine a light on how to build a wide-range of housing for people of many different economic backgrounds. New York City, like other great urban areas, was always able to thrive because it was a magnet for young and old, native and foreign born, and a place where all could pursue their dreams. We intend to build a community where that ideal is alive every day. We thank Forest City for this great opportunity and say, 'Hello Brooklyn!'"

## **About Greenland USA**

Greenland USA, established in 2013, is a subsidiary of Greenland Group, which was established in 1992, the Shanghai-based Greenland Group has formed a diversified industrial structure with a focus on energy, finance, and real estate. Greenland Group is involved in construction projects in

more than 82 cities and 26 provinces in China as well as in South Korea, Australia, United Kingdom, Canada, Thailand, Malaysia and the United States, among others.

### **About Forest City**

Forest City Enterprises, Inc. is an NYSE-listed national real estate company with \$8.9 billion in total assets. The Company is principally engaged in the ownership, development, management and acquisition of commercial and residential real estate throughout the United States. For more information, visit [www.forestcity.net](http://www.forestcity.net).

### **Safe Harbor Language**

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