

NORDSTROM

Nordstrom to Open at CityNorth in Phoenix

August 29, 2006

SEATTLE, Aug. 29 /PRNewswire-FirstCall/ -- Seattle-based Nordstrom, Inc. (NYSE: JWN), a leading fashion specialty retailer, announced it has signed a letter of intent with CityNorth, an affiliate of Thomas J. Klutznick Company, for a new, 144,000-square-foot store in Phoenix, Arizona. The Nordstrom store is scheduled to open in fall 2009.

(Logo: <http://www.newscom.com/cgi-bin/prmh/20001011/NORDLOGO>)

"We are fortunate to have loyal customers in and around the communities of our Chandler and Scottsdale stores," said Erik Nordstrom, president of stores for Nordstrom. "This is a terrific opportunity to expand our presence and offer a more convenient location in the Northeast Valley."

"We are delighted that Nordstrom has decided to open their new store at CityNorth," said Kenneth A. Himmel, co-developer of CityNorth and CEO of Related Urban Development, Inc. "Our partnership with best-in-class retailers like Nordstrom demonstrates our commitment to deliver the highest quality project to the community and our tenants."

CityNorth will incorporate retail, office, residential, hotel, dining and entertainment uses in a pedestrian-friendly environment. Situated on State Route 101 between Tatum Boulevard and 56th Street, CityNorth will, upon completion, become the urban core and major regional center for Phoenix's Northeast Valley. The department store-anchored portion of the project is a \$1.2 billion development with more than 2.5 million square feet of space.

Commenting on the announcement, Phoenix Mayor Phil Gordon said: "The arrival of the first Nordstrom store in the city of Phoenix is a milestone event. Nordstrom is one of the most respected names in retailing, and CityNorth will be an exciting development. Together, they are another example of how Phoenix is a city on the rise. It is with great pride that I welcome Nordstrom to Phoenix and to CityNorth."

"We welcome Nordstrom to our community and look forward to seeing CityNorth come to life. This is a tremendous opportunity for new jobs and continued economic vitality for our district and all of Phoenix. The community supports CityNorth and is particularly enthusiastic about the urban lifestyle experience that the project will bring to residents and visitors," said Peggy Neely, Phoenix Councilwoman, District 2.

CityNorth Group, LLC, is an affiliate of Thomas J. Klutznick Company, a co-developer of CityNorth with Kenneth A. Himmel. CityNorth information can be accessed at www.citynorthaz.com.

"Our family has been committed to the development of Northeast Phoenix for more than 20 years and is immensely proud to feature a retailer as highly regarded and successful as Nordstrom in our CityNorth project," said John Klutznick, vice president of Thomas J. Klutznick Company and a partner in the CityNorth development.

Thomas J. Klutznick Company is a privately held real-estate investment, development and consulting firm headquartered in Chicago. The company has developed such projects as Chicago's 730 North Michigan Avenue, Water Tower Place, and The Peninsula Chicago hotel.

Kenneth A. Himmel has marked his career by developing innovative and highly successful mixed-use properties such as Manhattan's Time Warner Center and CityPlace in West Palm Beach, Florida.

Nordstrom, Inc. is one of the nation's leading fashion specialty retailers, with 156 US stores located in 27 states. Founded in 1901 as a shoe store in Seattle, today Nordstrom operates 99 Full-Line Stores, 49 Nordstrom Racks, five Faconnable boutiques, one freestanding shoe store and two clearance stores. Nordstrom also operates 34 Faconnable boutiques in Europe. Additionally, Nordstrom serves customers through its online presence at www.nordstrom.com and through its catalogs. Nordstrom, Inc. is publicly traded on the NYSE under the symbol JWN.

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