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KUTAK ROCK ANNOUNCES OMAHA BUILDING RENOVATION

Renewal of Historic Landmark to Enhance Downtown Omaha Development

Kutak Rock LLP has announced that the firm will undertake a complete renovation of The Omaha Building, the historic downtown structure that serves as headquarters for the Omaha-based national law firm. The renovation will begin in January 2006 and is expected to last about 18 months. During that time the firm will occupy temporary quarters in downtown Omaha.

David Jacobson, chairman of Kutak Rock, explained that the firm's commitment to downtown Omaha determined the course the firm is taking. "Kutak Rock has owned and occupied The Omaha Building since we completed the *first* renovation of the structure in 1976-77," Jacobson said. "But the building is showing its age, and it's time to replace the infrastructure systems and update the building's interior. Our firm's partners agreed that we

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want to stay in downtown Omaha, so it just made sense to invest in our own building. It's a great work of architecture, and we're extremely proud to be identified with it."

Commenting on Kutak Rock's plans, Omaha Mayor Mike Fahey noted, "I applaud Kutak Rock for its vision and commitment to downtown Omaha and The Omaha Building. The building is a significant historic Omaha landmark, and Kutak Rock is a tremendous corporate partner. The redevelopment and investment is a nod to our rich histories while reaching out to build an even brighter future."

Jacobson noted that the firm has only about two years remaining on its original 30-year mortgage on the building, so making major upgrades to the building at this point essentially constitutes a refinancing. The firm estimates that the cost of the project will be around \$16 million.

Robert Kutak, a co-founder of Kutak Rock, persuaded his partners to purchase The Omaha Building in 1976, when it was vacant and in disrepair. Kutak recognized the building's architectural significance and had faith in his young firm's ability to grow into the elegant and imposing structure. The building has had various tenants in addition to the law firm over the years, but, except for an eatery on part of the main floor, today the firm occupies the entire 11-story edifice. Approximately 120 attorneys and 160 administrators and staff members work in the building. The Omaha office is Kutak Rock's largest and serves as the administrative center for the firm's network of offices in 16 American cities.

Jacobson said the firm will move temporarily to the Central Park Plaza at 15th and Farnam Streets at the end of this year. He said crews will begin working in The Omaha Building in early January 2006 and will probably continue their work until mid-2007. He noted that the firm considered the option of remaining in the building while work is ongoing, but realized that

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an interim move would significantly shorten the renovation schedule and would permit a more efficient and cost-effective replacement of infrastructure systems.

The firm has engaged Alley Poyner Architecture PC to design the renovation and Lund-Ross Constructors to serve as the general contractor. Jacobson said both firms' work on other historic buildings impressed Kutak Rock. "We think we've chosen a team of experienced professionals who can vastly improve the quality of our firm's working life," Jacobson said. "I fully expect them to turn The Omaha Building into a showplace once again. We believe the improvements will ensure the building's viability as an office facility for the next 25 years."

Peter G. Franks, the Alley Poyner architect who has hands-on responsibility for the renovation project, said his firm is pleased to be working with Kutak Rock on the project. "We hope and expect the renovated facility will ensure that Kutak Rock and their landmark building will continue to be a vital part of the downtown Omaha community for many decades to come," Franks commented. Franks pointed out that the 1970s renovation of the structure was one of the first examples of architectural historic preservation in the city and called the earlier renovation "unconventional and daring."

Major components of the renovation will be complete replacement of the building's HVAC systems, electrical grid, plumbing and elevators. The plans also include limited restoration of the lobby as well as cleaning of the exterior. In addition, the firm will install automatic sprinklers. The building's dramatic atrium, the signature innovation of the 1970s-era remodeling, which currently rises between the fourth and eighth stories, will be extended to the top of the building. Kutak Rock has been working closely with the Nebraska State Historic Preservation Office to ensure that modifications to The Omaha Building hew to the regulations applicable to historic structures.

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Apart from the basic infrastructure of the building, Jacobson said, the firm will redesign and improve support staff work areas and will reconfigure the hallway lighting, replace carpeting and make other aesthetic improvements. The hallway lighting is important, Jacobson pointed out, because it has to showcase the hundreds of works of contemporary art, mostly collected by founder Robert Kutak, that line the halls. Jacobson said experts will rehang, and in some cases reframe and clean, the art.

The Omaha Building's claim to historic importance derives from the reputation of McKim, Mead & White, the architectural firm the New York Life Insurance Company commissioned (through a design competition) to design the building in the 1880s. Widely considered one of the preeminent American architecture firms of the late nineteenth and early twentieth centuries, McKim, Mead & White designed such significant buildings as the original Madison Square Garden, Pennsylvania Station in New York and the Boston Public Library, among a host of other structures. According to Franks, The Omaha Building was McKim, Mead & White's first major public building.

For the New York Life Insurance building in Omaha, Stanford White gave the structure a classic "H" shape and decorated the façade in an ornate Italian Renaissance style. Erected in 1889 and, at 10 stories, towering over every other building in the area, the New York Life building was Omaha's first skyscraper. The Omaha National Bank purchased the building in 1909 and, during its 60-year occupancy, added an eleventh floor and made other structural changes. The building was entered into the National Register of Historic Places in 1972. Scheduled for destruction in 1974, the building was spared when a deal to build twin towers on the site fell through. Kutak Rock's purchase and renovation of the building a few years later restored the building to its original place as a focal point of downtown Omaha.

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A virtually identical twin of the New York Life building was constructed in Kansas City, Missouri concurrently with the Omaha structure. That building, now the headquarters of Aquila, Inc., underwent a complete restoration in the mid-1990s.

Kutak Rock LLP's more than 325 lawyers conduct a diversified practice in corporate law and corporate finance, litigation, public finance, real estate, health care, securitization, tax credits, employment and labor, employee benefits, banking, bankruptcy, insurance, technology law, antitrust, environmental law, and tax from offices in Atlanta, Chicago, Denver, Des Moines, Fayetteville, Irvine, Kansas City, Little Rock, Los Angeles, Oklahoma City, Omaha, Pasadena, Richmond, Scottsdale, Washington, D.C. and Wichita.

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