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**West Coast Internet Fulfillment Center of Urban Outfitters, Inc. Begins Operations**  
*Grand Opening Event Hosted by Dermody Properties and United Construction Company*

RENO, Nev. – Dermody Properties and United Construction Company today hosted a grand opening event for the Urban Outfitters, Inc. (Nasdaq: URBN) West Coast Internet Fulfillment Center in Reno, Nev. to celebrate the beginning of operations at the facility. The team of Dermody Properties and United Construction was selected in early 2011 to develop and design/build the 462,720 square foot facility for URBN; the project is the largest private building project completed in the state of Nevada since early 2009.

Urban Outfitters, Inc., is an innovative, lifestyle-focused specialty retail company operating under the Anthropologie, BHLDN, Free People, Terrain, and Urban Outfitters brands. The firm operates more than 400 stores in North America and Europe.

The total investment in the region by Urban Outfitters, Inc. for the development, improvements and construction was approximately \$55 million.

Urban Outfitters, Inc. began operations in Reno in 1998, servicing 15 western stores through a third party logistics provider. It opened its own retail distribution center in Reno in 2007, and today it is servicing 137 stores.

“The people in Reno have always made us feel as though they valued our business, even when our volume was substantially less,” said Ken McKinney, Executive Director of Logistics for URBN and speaker at today’s event. “When we did an independent study in 2010 to determine the best site for a western US Internet fulfillment center, Reno was the recommended location. Frankly, we were delighted with the final result, because for the past 14 years Reno has proven itself with its business-friendly environment and the excellent workforce we’ve been able to attract.”

The facility, which is USGBC LEED Silver Certified, is located at 12055 Moya Boulevard on 38.34 acres of development-ready land in the Dermody Properties LogistiCourt at Silver Lake. United Construction was notified of the certification the day before the event.

The Phase 1 building has more than 450,000 square feet of warehouse space, over 10,000 square feet of office space, an automated state of the art Material Handling System (MHS) and a 24/7/365 data center. A future Phase 2 expansion can increase the facility to 895,360 square feet.

Dermody Properties and United Construction started the project in February 2011. United Construction began the pre-construction planning and building design immediately. Construction began in May 2011, the building envelope was complete by November 2011, and installation of the very sophisticated and complex Material Handling System began in December 2011. Construction was complete in February of 2012.

Now that operations have begun, the URBN center is employing approximately 70 people. According to URBN officials, that number will spike to more than 100 during the peak (holiday) period this year, with the additional staffing being comprised of temporary staffing agency people.

“Next year, when additional volume starts coming through the distribution center, we expect to average roughly 120 FTEs (Full Time Equivalents), and spike up to 180 during peak holiday periods,” McKinney said.

“We were honored to host this very important event for this company, our region and our state,” said Michael C. Dermody, Dermody Properties’ Chairman and CEO, “The Urban Outfitters team came to Nevada 14 years ago, and we’re honored today to be part of their team. All of us at Dermody Properties thank Urban Outfitters for their commitment to this region.”

Craig Willcut, President and CEO of United Construction expanded on the process of working with URBN, “For over 34 years, and through many economic cycles, Dermody Properties and United Construction have been chosen by more companies to assist them to grow, build and develop their facilities than any other team in northern Nevada. With this leadership comes the responsibility of taking the economic risk associated with bringing companies to the region. It’s a risk we welcome and are honored to take. We thank our team for making these successes possible.”

Also instrumental in assisting Urban Outfitters were EDAWN (the Economic Development Authority of Western Nevada) and the Nevada Governor’s Office of Economic Development (GOED).

"Northern Nevada is fortunate to have such a tremendous commitment from Urban Outfitters, and we are pleased they chose this region for their Internet Fulfillment Center expansion," said Governor Brian Sandoval, who participated in the grand opening event at the Urban Outfitters facility in Reno today. "I'm also very proud of the work of Dermody Properties, United Construction, EDAWN and the Governor's Office of Economic Development in bringing about this expansion. They truly share my commitment to effective economic development and to creating new jobs for Nevadans. I'm honored to have been able to assist in encouraging Urban Outfitters to choose our state."

Other guest speakers at the grand opening were: US Senator Dean Heller; Reno Mayor Bob Cashell; URBN CEO, President and Chairman of the Board, Richard A. Hayne; and EDawn CEO Mike Kazmierski.

"Having come from private industry before entering the public sector, I truly applaud a team such as Dermody Properties and United Construction for its efforts as private sector companies assisting in the economic development initiatives of a state and region," said Steve Hill, Director of GOED. "They helped ensure that Urban Outfitters, Inc. elected to choose northern Nevada as the location for its expanded facilities for Internet fulfillment. The Governor's Office of Economic Development appreciates good partners such as Dermody Properties and United Construction, as well as this region's economic development authority, EDawn."

The Dermody Properties team that worked with Urban Outfitters during the process included Michael Dermody; Douglas A. Kiersey, Jr., President; Douglas Lanning, CFO; and John Atwell, COO. From United Construction, the team included Craig Willcut; Michael Russell, COO; Michael Thomson, Design Manager/Architect; Mike Brunkow, Project Manager; Mike McMordie, Project Superintendent; Dan Westman, Field Operation Manager; and Robert Schenck, Senior Estimator.

"The building design reflects Urban Outfitters' culture and features an architectural look and feel not seen locally before," said Thomson of United Construction, and designer of the facility. "It was our intent to study and listen to them as a valued customer, understand them, and then deliver what they needed and wanted, just as Urban Outfitters is known for successfully understanding and meeting the desires of their customers."

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#### **About Dermody Properties**

*Dermody Properties, parent company of DP Partners, is a privately held national industrial real estate development company. Founded and headquartered in Reno, Nev., it has regional offices in Portland, Ore., Philadelphia, Penn., and Chicago, Ill., as well as property holdings in Las Vegas, Nev., Harrisburg, Penn., Savannah, Ga., and southern New Jersey. Over the last five years, Dermody Properties has developed and leased more than 5 million square feet, averaging over 1 million square feet per year. Over its 50-year history, the company has developed and leased more than 35 million square feet of high quality industrial/distribution facilities to many Fortune 500 companies and other well-respected firms. Dermody Properties currently has more than 3.5 million square feet of industrial space that is 90 percent occupied, and is actively doing build-to-suits and joint ventures throughout the nation. To learn more about Dermody Properties visit [www.Dermody.com](http://www.Dermody.com).*

#### **About United Construction**

*United Construction is one of Nevada's leading design/build and construction services firms, providing more than 34 years of best-in-class services to a wide variety of customers in the western United States. United Construction's portfolio includes almost 40 million square feet of successful building projects, completed for both public and private sector customers. For more information, please call Michael Russell at (775) 858-8090 or visit their website at [www.UnitedConstruction.com](http://www.UnitedConstruction.com).*

### ***About the Team of Dermody Properties and United Construction***

*Dermody Properties, a local family business established in Reno in 1960, has grown into one of the premier private industrial development firms in the nation. Under Michael Dermody's leadership, the company increased its focus on customer service and created a unique platform of bringing the developer and contractor together to better serve the client. In 1978, Michael Dermody and Tony Taormina formed United Construction Company, which was the foundation of today's quality and customer service organization that has lasted over 34 years. Both companies owe a large part of their success to three groups of people: the talented and committed employees of both companies, local subcontractors/vendors and their customers. As a team, Dermody Properties and United Construction have:*

- Completed over 19 million square feet of facilities in Nevada*
- Each year, for over 34 years, created an average of 150 direct full-time management, support and construction jobs*
- Built properties that have contributed over \$90 million to the local property tax base over 34 years, which in turn under the regional tax structure, has contributed nearly \$30 million to fund local education*
- Helped bring over 250 new companies to the northern Nevada*