

CRESCENT RESOURCES

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CRESCENT RESOURCES FILES FOR CHAPTER 11 TO REORGANIZE CAPITAL STRUCTURE

Company Secures \$110 Million in New Funding for Operations

Ongoing Operations Will Continue With Minimal Interruption

CHARLOTTE, N.C. – June 10, 2009 – Crescent Resources today announced that, as part of its ongoing strategy to reduce the company’s debt level and improve its capital structure, Crescent Resources, LLC and certain of its subsidiaries have filed voluntary Chapter 11 petitions in the U.S. Bankruptcy Court in the Western District of Texas, Austin Division.

The company intends to operate its continuing businesses without any significant interruption during the restructuring process. In addition, the company has obtained a Debtor-in-Possession financing facility of \$110 million from a group of its existing lenders, which will provide sufficient funds to operate its ongoing business activities.

Crescent also announced today that Arthur Fields, chief executive officer of Crescent Resources, has retired from the company and will continue to work with the company in an advisory capacity. Effective immediately, Andrew Hede, Crescent’s chief restructuring officer, will also serve as chief executive officer. Mr. Hede, a managing director with Alvarez & Marsal North America, LLC, has more than 15 years of financial restructuring and business experience. Mr. Hede has worked with numerous companies, including national and regional homebuilders and real estate developers, to develop and implement financial and operational restructurings and recapitalization strategies.

“We have been in active discussions with our lenders and other stakeholders as we work towards an agreement that will bring our capital structure in line with the current economic environment,” said Andrew Hede. “Those discussions are continuing, and we are pleased with the ongoing support we have received from our lenders. We believe this process will lead to a stronger financial foundation for the company and its stakeholders and that it will better position us to serve our customers and partners over the longer term.

“Despite the unprecedented challenges facing the real estate industry, we believe Crescent's underlying business model is solid, and our assets remain very attractive. We are encouraged that our lenders have agreed to provide additional funding to support our continued operations and allow us to maintain the high level of service and amenities our customers have come to expect. We intend to reach an agreement on our new capital structure and emerge from bankruptcy quickly,” Hede continued.

“On behalf of the Board and all the employees of Crescent, I would like to thank Art for his tremendous service to Crescent and the entire real estate industry over his long and successful career,” continued Mr. Hede. “He was instrumental in building Crescent into one of the leading real estate development companies in the country, and we are pleased that he will continue to serve as an advisor to the company.”

“Crescent Resources has the best assets and more importantly the most dedicated and passionate employees in the industry. I am confident that this restructuring will position the company better for the future,” said Mr. Fields. “It has been a privilege to work with such a talented team. I can move on secure in the knowledge that Crescent will build on its track record as one of the leaders in the real estate industry.”

As part of its Chapter 11 filing, the company is seeking Court approval to make certain payments and to maintain key agreements with employees, customers, vendors and partners of continuing operations to ensure the company can maintain its commitment to delivering a high level of amenities and services.

About Crescent Resources

Crescent Resources, LLC, is a land management and real estate development company with interests in 10 states in the southeastern and southwestern United States. Based in Charlotte, Crescent Resources is a joint venture between Duke Energy and Morgan Stanley Real Estate Fund. Established in 1969, Crescent creates mixed-use developments, award-winning country club communities, single-family neighborhoods, apartment and condominium communities, Class A office space, business and industrial parks and shopping centers. Visit www.crescent-resources.com for more information.

Forward Looking Statement

Certain statements included in this announcement contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent our current expectations of forecasts of future events, and no assurance can be given that the results described in this announcement will be achieved. You can identify these forward-looking statements by the fact that they do not relate strictly to historic or current facts. They use words such as “anticipate”, “believe”, “estimate”, “expect”, “forecast”, “goal”, “intend”, “objective”, “plan”, “projection”, “seek”, “strategy”, or other words and terms of similar meaning. Any or all of the forward-looking statements included in this announcement and in any other of our reports or public statements may not approximate actual experience, and the expectations

derived from them may not be realized, due to known, or unknown risks and uncertainties. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties. If any one or more of the assumptions underlying our forward-looking statements proves incorrect, then the company's actual results, performance, or achievements could differ materially from those expressed in or implied by the forward-looking statements contained in the announcement. Therefore, we caution you not to place undue reliance on these forward-looking statements. We do not undertake any obligation or duty to update forward-looking statements.

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