

STRATHMORE DEVELOPMENT COMPANY PRESS RELEASE
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**STRATHMORE DEVELOPMENT COMPANY COMPLETES
PERMANENT FINANCING FOR PHASE ONE OF BEAR CREEK
APARTMENT PROJECT**

Strathmore Development Company, through affiliate Bear Creek Partners L.L.C., is pleased to announce the closing of permanent financing for phase one of the Bear Creek Meadows apartment project located in Petoskey, Michigan. Red Mortgage Capital, Inc. and Red Capital Advisors, LLC, respectively, the mortgage banking and proprietary investment and asset management arms of comprehensive capital provider RED CAPITAL GROUP, originated a \$9,600,000 first mortgage loan and provided \$624,000 in co-terminus mezzanine financing for the project. The \$9,600,000 loan was funded through Red's private label CMBS program.

Phase one of Bear Creek Apartments, constructed in 2005 and 2006 includes 120 class "A" multifamily units in six, two-story buildings on a 15 acre site. An additional 120 units is currently under construction and expected to be completed in 2007. Property amenities include a clubhouse, pool, hot tub, tanning bed, fitness center, business center, and fireplace with lounge area. Cable-ready units include walk-in closets, high-speed Internet access, washer and dryer, and balcony or patio. The property is in close proximity to a major retail corridor, as well as numerous service amenities.

Strathmore Development Company is an East Lansing based real estate investment, development, and management company that works closely with communities on the redevelopment of environmentally challenged sites, historic renovations, and all aspects of commercial and residential real estate. Strathmore and its employees maintain numerous professional affiliations, including membership in the National Trust for Historic Preservation, Urban Land Institute, American Bar Association, State Bar of Michigan, American Institute of Certified Public Accountants, and the National Society of Professional Engineers.

Strathmore Development Company has earned a solid track record of successfully completing challenging projects while benefiting its clients, partners, and the communities it serves.

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