

PRESS RELEASE

APRIL 30, 2006 - FOR IMMEDIATE DISTRIBUTION

STRATHMORE DEVELOPMENT COMPANY CLOSES FIRST TRAUNCH OF \$120,000,000 REAL ESTATE CONSTRUCTION CREDIT FACILITY FOR THE ANN ARBOR LOWER TOWN PROJECT

Strathmore Development Company, through affiliate Lower Town Investment Group, L.L.C. has closed the first traunch of a \$120,000,000 real estate construction credit facility for the Lower Town project. The first traunch consisting of \$5,000,000 in mezzanine financing was provided by National City Bank. Syndication of subsequent tranches is being arranged by KeyBanc Capital Markets.

Construction of the mixed-use Brownfield project has been committed to Lansing based Clark Construction Company. Demolition is expected to be completed by July 30, 2006. Remediation of contaminated soils is expected to be complete by September 30, 2006. Site work and vertical construction will commence mid-summer 2006, as site conditions allow. Lower Town is an environmentally responsible, mixed use project located adjacent to the University of Michigan Health System Medical Campus in Ann Arbor, Michigan. The project, consisting of 185 upscale residential units, 85,000 square feet of retail space, 172,000 square feet of general and medical office, and a municipal parking structure is currently 81% preleased and is expected to be complete by September 2008.

Strathmore Development Company is an East Lansing based real estate investment, development, and management company engaged in 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, American Bar Association, State Bar of Michigan, American Institute of Certified Public Accountants, Michigan Association of Certified Public Accountants, Urban Land Institute, National Society of Professional Engineers, and has a solid track record of successfully completing challenging projects while benefiting its clients, partners, and the communities it serves.

FOR ADDITIONAL INFORMATION CONTACT:

Ms. Tarwyn Rouse
Strathmore Development Company
1427 West Saginaw, Suite 200
East Lansing, MI 48823
Phone: (517) 664-4137
Email: tarwynr@strathmoredev.com