

PRESS RELEASE

July 15, 2008 FOR IMMEDIATE DISTRIBUTION

**STRATHMORE DEVELOPMENT COMPANY
RECEIVES COMMITMENT FOR ECONOMIC INCENTIVES RELATING TO
THE CITY CENTER II PROJECT – SIGNS DEVELOPMENT AGREEMENT
WITH CITY OF EAST LANSING**

EAST LANSING, Michigan - [Strathmore Development Company](#) through affiliate **City Center Two Project, LLC** will use a state brownfield tax credit valued at \$10 million and state and local tax capture totaling \$57.8 million for the City Center II project on 5.46 acres bordered by Grand River Avenue, Abbot and Evergreen Roads and Albert Street. The overall mixed-use project will include a total of six new commercial and residential buildings, a pedestrian overpass and 520-space parking deck comprising 648,559 square feet and aggregate capital investment of \$122 million.

The project's central feature is a ten story mixed-use building with 80 residential units, a 400-seat performing arts theater to be programmed by Michigan State University's Wharton Center, a boutique hotel brand "Hotel Indigo," by Great Britain's InterContinental Hotels Co., an upscale bistro and wine bar, retail, and professional office space. The project's other buildings include a six-level municipal parking structure containing 520 spaces, a five-story, mixed-use building with first floor retail and residential units above, a four-story residential building, and nine upscale townhome condominiums to be located adjacent to Valley Court Park. It is anticipated that the project will create 237 new jobs projected for the entire project. MSHDA is a participant.

Project Update: The East Lansing City Council unanimously approved the rezoning, site plan, and Brownfield plan for the City Center II project on June 17th, 2008. Strathmore also recently announced that the project anchor building expects to achieve "Silver" LEED certification with all other structures expected to achieve LEED certification. The economic incentives necessary to construct the public infrastructure for the project have been approved by the Michigan Economic Development Corporation. The development agreement between the City of East Lansing and Strathmore Development Company was approved by the East Lansing City Council July 15, 2008. The project is now working towards demolition and construction permits and is expected to commence 4th quarter, 2008.

Related Media Coverage:

<http://www.themedc.org/News-Media/Press-Releases/Detail.aspx?ContentId=7f67209e-f2bf-4b58-86da-10356aa405ac>

<http://www.lansingstatejournal.com/apps/pbcs.dll/article?AID=20080603/OPINION01/806030311/1085/OPINION>

<http://www.lansingstatejournal.com/apps/pbcs.dll/article?AID=2008807170319>

<http://www.lansingstatejournal.com/apps/pbcs.dll/article?AID=2008807160375>

Strathmore Development Company is an East Lansing, Michigan based real estate investment, development, and management company with offices in Michigan and Florida. The company works closely with communities on all aspects of commercial and residential real estate, including the redevelopment of environmentally challenged sites, repositioning of existing developments, and historic renovations. Strathmore maintains numerous professional affiliations, including membership in the United States Green Building Council, National Trust for Historic Preservation, Urban Land Institute, American Bar Association, American Institute of Certified Public Accountants, and the National Society of Professional Engineers. Strathmore has a solid track record of successfully completing challenging projects while benefiting its clients, partners, and the communities it serves.

FOR ADDITIONAL INFORMATION CONTACT:

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