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**THE DERMOT COMPANY AND GROSVENOR PARTNER
TO ACQUIRE DOWNTOWN BROOKLYN, NY LAND PARCEL**

High-Rise Rental Apartment Building Planned

New York, New York, December __, 2007-- Grosvenor Investment Management US Inc. (GIM), on behalf of a public pension fund, has partnered with The Dermot Company, Inc. of New York City to acquire a site at 29 Flatbush Avenue in downtown Brooklyn, New York.

The 16,575 square foot parcel, currently used as a parking lot, will be planned and developed by Dermot as a high-rise rental apartment building. Construction of the building is expected to begin in 2009. In addition to equity provided by GIM, Citi Community Capital has provided a loan for the site acquisition.

The land parcel is part of a triangle bounded by Flatbush Avenue, Fulton Street, and Rockwell Place near the Brooklyn Academy of Music (BAM). It is part of the BAM Cultural District, a project to convert City-owned parking lots and underutilized properties into new mixed-income housing and space for arts organizations. The BAM Cultural District also will feature restaurants, cafés, shops, parking, and distinctive public open spaces.

"This acquisition continues our commitment to invest and develop in downtown Brooklyn and the BAM Cultural District," said Drew Spitler, Vice President of Development of The Dermot Company. "We believe that this area of Brooklyn, with its rich culture, excellent shopping and dining, and proximity to all transportation modes, makes this neighborhood as appealing and desirable as any in Manhattan."

"29 Flatbush represents an excellent opportunity to acquire a site for high-density, residential development in an evolving urban neighborhood," said Kathleen Hands, Managing Director, Grosvenor Investment Management. "We are pleased to partner with The Dermot Company, which has extensive hands-on experience in the area."

The Dermot Company is currently developing another downtown Brooklyn property, converting the iconic Williamsburg Savings Bank Building into a luxury condominium residence called One Hanson Place. In Queens, the company is transforming the Queens Family Courthouse in Jamaica into multifamily residences, retail and parking.

About The Dermot Company:

The Dermot Company, Inc., based in New York City, was formed in 1991 as a real estate investment and management company focused on multi-family sector opportunities. The company has evolved into a fully integrated real estate company employing nearly 200 real estate professionals in investment, finance, management and development. Dermot currently manages over \$1 billion in assets and owns or holds investments in more than 5,000 multifamily units.

About Grosvenor Investment Management:

Based in Philadelphia, GIM serves as Grosvenor's real estate investment management operation in North America. GIM is part of Grosvenor Fund Management, which was established in 2005 as a vehicle for third-party participation in Grosvenor-managed investments. As of June 30, 2007, Grosvenor Fund Management (including GIM) had total funds under management of approximately \$6.1 billion internationally. GIM is currently seeking new investment and development opportunities in the U.S. and Canada, including providing joint venture capital, across all product types and risk profiles on behalf of its Fund and Separate Account clients.

Grosvenor is a privately owned group of international property businesses with total assets under management of \$22.9 billion as of June 30, 2007. Grosvenor is active in the investment, development and asset management of real estate assets through its operating companies in the Americas, Britain & Ireland, Continental Europe and Australia Asia Pacific, while its fund management business operates across all of these markets. For more information on Grosvenor, please visit:

www.grosvenor.com.