

MEETING NUMBER **2627**

JOURNAL OF PROCEEDINGS OF THE BOARD OF TRUSTEES OF THE
POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT



PROCEEDINGS HELD THURSDAY, **MAY 10, 2007**

9:00 A.M.

IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS
910 COLEMAN A. YOUNG MUNICIPAL CENTER
DETROIT, MICHIGAN 48226



PRESENT

Marty Bandemer	Elected Trustee
Jeffrey Beasley	Ex/Officio Trustee/Treasurer
Gregory Best	Elected Trustee/Vice Chairperson
Shereece Fleming-Freeman	Ex/Officio Alternate Trustee
Frank English	Elected Trustee/Chairperson
DeDan Milton	Ex/Officio Alternate Trustee
James Moore	Elected Trustee
George Orzech	Elected Trustee
Tyrone Scott	Ex/Officio Trustee/Fire Commissioner
Paul Stewart	Elected Trustee
Alberta Tinsley-Talabi	Ex/Officio Trustee/City Council Representative
Walter Stampor	Executive Secretary
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Joe Turner	Special Legal Counsel
Richard Huddleston	Investment Analyst
Reginald O'Neal	Medical Director

EXCUSED

None

ABSENT

None

CHAIRPERSON

Frank English

ROLL CALL WAS TAKEN AT 9:06 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

CLOSED SESSION

BY MR. BEST – SUPPORTED BY MR. ORZECH

WHEREAS, The Board's Medical Director is now before the Board of Trustees of the Police and Fire Retirement System of the City of Detroit to discuss the medical and psychiatric reports of the individuals whose names are designated on the pages which follow relative to disability retirement applications and re-examinations, and

WHEREAS, The Michigan Open Meetings Act provides for Closed Sessions in certain circumstances, including the foregoing matter, and

WHEREAS, The Board has discussed this matter consistent with the Michigan Open Meetings Act, Therefore be it

RESOLVED, That the Board enter into Closed Session consistent with the Michigan Open Meetings Act:

A Roll Call vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEST, FREEMAN, MOORE, ORZECH, SCOTT, STEWART AND CHAIRMAN ENGLISH – 8

CLOSED SESSION

NAYS - NONE

The Board entered into Closed Session at 9:10 A.M.

OPEN SESSION

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Resolved, That the Board return to Open Session:

A Roll Call vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEST, FREEMAN, MILTON, MOORE,
ORZECH, SCOTT, STEWART, TALABI AND CHAIRMAN
ENGLISH – 10

NAYS – NONE

The Board returned to Open Session at 9:45 A.M. and Medical Director Reginald O’Neal was excused for the remainder of the Meeting.

DISABILITY RETIREMENT APPLICATIONS

NAME, TITLE, DEPARTMENT

**STEVE COYKENDALL – OFFICER – POLICE
DEPARTMENT**

DISABILITY, PLAN

DUTY - NEW

INJURIES

DOCTOR’S RECOMMENDATION

DUTY RELATED INJURY

BOARD ACTION

**APPROVE – APPROVE, ANNUAL RE-
EXAMINATIONS NOT REQUIRED – DENY –
TABLE – REFER TO DETROIT MEDICAL CENTER
– REFER TO ARBITRATION – REFER TO
MEDICAL BOARD OF REVIEW**

DISABILITY RETIREMENT APPLICATIONS

NAME, TITLE, DEPARTMENT MARK MASSENBERG – FIRE FIGHTER – FIRE
DEPARTMENT
DISABILITY, PLAN DUTY - NEW
INJURIES
DOCTOR'S RECOMMENDATION DUTY RELATED INJURY
BOARD ACTION APPROVE – APPROVE, ANNUAL RE-
EXAMINATIONS NOT REQUIRED – DENY –
TABLE – REFER TO DETROIT MEDICAL CENTER
– REFER TO ARBITRATION – REFER TO
MEDICAL BOARD OF REVIEW

NAME, TITLE, DEPARTMENT JASON THORNTON – SERGEANT – POLICE
DEPARTMENT
DISABILITY, PLAN DUTY - NEW
INJURIES
DOCTOR'S RECOMMENDATION DUTY RELATED INJURY
BOARD ACTION APPROVE – APPROVE, ANNUAL RE-
EXAMINATIONS NOT REQUIRED – DENY –
TABLE – REFER TO DETROIT MEDICAL CENTER
– REFER TO ARBITRATION – REFER TO
MEDICAL BOARD OF REVIEW

NAME, TITLE, DEPARTMENT BETTY VERNER – SERGEANT – POLICE
DEPARTMENT
DISABILITY, PLAN DUTY - NEW
INJURIES
DOCTOR'S RECOMMENDATION DUTY RELATED INJURY
BOARD ACTION APPROVE – APPROVE, ANNUAL RE-
EXAMINATIONS NOT REQUIRED – DENY –
TABLE – REFER TO DETROIT MEDICAL CENTER
– REFER TO ARBITRATION – REFER TO
MEDICAL BOARD OF REVIEW

RE-EXAMINATIONS

NAME DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NEXT EXAM IN ONE (1) YEAR	NO FURTHER EXAMS REQUIRED	MUST RECEIVE NEXT EXAM IN DETROIT, MICHIGAN
DAVID ACQUAVIVA – FIRE – DUTY - FIRST	X		
NORMAN BROWN – FIRE – DUTY - FOURTH	X	X	
WAYNE COLLINS – FIRE – DUTY - FOURTH	X	X	
EDWARD DEMENT – FIRE – DUTY - SECOND	X	X	
KEVIN FOSTER – FIRE – DUTY - FIFTH	X – DENY RETURN TO WORK REQUEST	X	
KEITH MIDDLEBROOKS – FIRE – DUTY - FIFTH	X	X	
FRED SAFFOLD – POLICE – DUTY - FIRST	X		
LEMARR TORAN – FIRE – DUTY - FOURTH	X – DENY RETURN TO WORK REQUEST		

STEVE COYKENDALL

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE BOARD ACCEPT THE REPORT OF ITS MEDICAL DIRECTOR REGARDING STEVE COYKENDALL, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, THE BOARD HEREBY APPROVES MR. COYKENDALL'S APPLICATION FOR DUTY DISABILITY RETIREMENT:

YEAS – TRUSTEES BANDEMER, BEST, FREEMAN, MOORE, ORZECH, SCOTT, STEWART AND CHAIRMAN ENGLISH – 8

NAYS – NONE

MARK MASSENBERG

BY MR. ORZECH – SUPPORTED BY MR. SCOTT

RESOLVED, THAT THE BOARD ACCEPT THE REPORT OF ITS MEDICAL DIRECTOR REGARDING MARK MASSENBERG, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, THE BOARD HEREBY APPROVES MR. MASSENBERG'S APPLICATION FOR DUTY DISABILITY RETIREMENT:

YEAS – TRUSTEES BANDEMER, BEST, FREEMAN, MOORE, ORZECH, SCOTT, STEWART AND CHAIRMAN ENGLISH – 8

NAYS – NONE

JASON THORNTON

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE BOARD ACCEPT THE REPORT OF ITS MEDICAL DIRECTOR REGARDING JASON THORNTON, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, THE BOARD HEREBY APPROVES MR. THORNTON'S APPLICATION FOR DUTY DISABILITY RETIREMENT:

YEAS – TRUSTEES BANDEMER, BEST, FREEMAN, MOORE, ORZECH, SCOTT, STEWART AND CHAIRMAN ENGLISH – 8

NAYS – NONE

- SPECIAL COUNSEL JOE TURNER ENTERED THE MEETING.
- TRUSTEE TALABI ENTERED THE MEETING.
- TRUSTEE FREEMAN TEMPORARILY EXCUSED HERSELF AND THEN RE-JOINED THE MEETING.
- TRUSTEE MILTON ENTERED THE MEETING.

BETTY VERNER

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD ACCEPTS THE REPORT OF ITS MEDICAL DIRECTOR REGARDING BETTY VERNER, AND

WHEREAS, THE BOARD CONSIDERS THE DISABILITY OF BETTY VERNER TO BE DUTY-CONNECTED, THEREFORE BE IT

BETTY VERNER

RESOLVED, THAT BETTY VERNER'S APPLICATION FOR DUTY DISABILITY RETIREMENT BE HEREBY APPROVED:

YEAS – TRUSTEES BANDEMER, BEST, MOORE, ORZECZ, SCOTT,
STEWART, TALABI AND CHAIRMAN ENGLISH – 8

NAYS – TRUSTEES FREEMAN AND MILTON – 2

RE-EXAMINATIONS

BY MR. BEST – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, THE RETIRANTS WHOSE NAMES ARE REFERENCED ON PAGE 5 BE CONTINUED ON THE DISABILITY RETIREMENT PAYROLLS (AND RECEIVE THEIR NEXT RE-EXAM IN ONE YEAR) AND WITH NO FURTHER EXAMS BEING NECESSARY FOR NORMAN BROWN, WAYNE COLLINS, EDWARD DEMENT, KEVIN FOSTER AND KEITH MIDDLEBROOKS, AND BE IT FURTHER

RESOLVED, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, THE BOARD DENYS KEVIN FOSTER'S REQUEST TO RETURN TO WORK AND HE BE APPRISED OF HIS RIGHT TO APPEAL SAID DENIAL PURSUANT TO PROCEDURES ESTABLISHED BY COLLECTIVE BARGAINING, AND BE IT FURTHER

RESOLVED, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, THE BOARD HEREBY DENYS LEMARR TORAN'S REQUEST TO RETURN TO WORK AND HE BE APPRISED OF HIS RIGHT TO APPEAL SAID DENIAL PURSUANT TO PROCEDURES ESTABLISHED BY COLLECTIVE BARGAINING:

RE-EXAMINATIONS

YEAS – TRUSTEES BANDEMER, BEST, FREEMAN, MILTON, MOORE,
ORZECH, SCOTT, STEWART, TALABI AND CHAIRMAN
ENGLISH – 10

NAYS – NONE

■ TRUSTEE BEASLEY ENTERED THE MEETING.

RETIREMENTS

BY MR. BEST – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE RETIREMENT APPLICATIONS WHICH ARE
OUTLINED BELOW BE APPROVED:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON,
MOORE, ORZECH, SCOTT, STEWART, TALABI AND CHAIR-
MAN ENGLISH – 11

NAYS – NONE

RETIREMENTS

*NAME, TITLE, DEPARTMENT
RETIREMENT, PLAN
SERVICE CREDIT, EFFECTIVE DATE*

*SHER SINGH – FIRE CAPTAIN – FIRE
SERVICE – NEW
34 05 00 – 04 16 07*

*NAME, TITLE, DEPARTMENT
RETIREMENT, PLAN
SERVICE CREDIT, EFFECTIVE DATE*

*ELIZABETH LEWIS – OFFICER – POLICE
DUTY DISABILITY RETIREMENT
CONVERSION – NEW
25 00 00 – 05 24 07*

RETIREMENTS

<i>NAME, TITLE, DEPARTMENT</i>	<i>SHELTON HAYES – SERGEANT – POLICE</i>
<i>RETIREMENT, PLAN</i>	<i>SERVICE – NEW</i>
<i>SERVICE CREDIT, EFFECTIVE DATE</i>	<i>32 08 02 – 05 01 07</i>

<i>NAME, TITLE, DEPARTMENT</i>	<i>ROGER MCGEE – OFFICER – POLICE</i>
<i>RETIREMENT, PLAN</i>	<i>SERVICE - NEW</i>
<i>SERVICE CREDIT, EFFECTIVE DATE</i>	<i>29 01 17 – 05 04 07</i>

CONFIRMATIONS

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE RECEIPTS WHICH ARE OUTLINED BELOW BE
CONFIRMED:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON,
MOORE, ORZECH, SCOTT, STEWART, TALABI AND CHAIR-
MAN ENGLISH – 11

NAYS – NONE

CONFIRMATIONS

THE BOARD RECEIVED THE SUM OF **\$20,000.00** ON MAY 4, 2007
FROM RLJ SELECT – DUE DILIGENCE

THE BOARD RECEIVED THE SUM OF **\$16,250.00** ON MAY 4, 2007
FROM ONE KENNEDY SQUARE

THE BOARD RECEIVED THE SUM OF **\$29,056.00** ON MAY 3, 2007 –
LETTER OF CREDIT PAYMENT FOR MAY, 2007

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. MOORE – SUPPORTED BY MR. SCOTT

RESOLVED, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, AS SET FORTH ON LIST **#3237**, IN THE AMOUNT OF **\$3,666,514.66**, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON, MOORE, ORZECH, SCOTT, STEWART, TALABI AND CHAIRMAN ENGLISH – 11

NAYS – NONE

BILL PAYMENT REQUESTS

BY MR. BEST – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD IS IN RECEIPT OF THE FOLLOWING BILLINGS REQUESTING PAYMENT FOR SERVICES RENDERED, AND

WHEREAS, THE BOARD IS SATISFIED THAT SERVICES WERE PROVIDED TO THE BOARD AS REQUESTED BY THE BOARD, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO STAFF AUDIT, THE BOARD APPROVE PAYMENT OF SAID BILLINGS:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON, MOORE, ORZECH, SCOTT, STEWART, TALABI AND CHAIRMAN ENGLISH – 11

NAYS – NONE

FIRM OR INDIVIDUAL, DATE, AMOUNT, SERVICE(S) PROVIDED

BLACKROCK – APRIL 24, 2007 - **\$16,872.00** – 2007 FIRST QUARTER FEES

COUZENS, LANSKY – APRIL 25, 2007 - **\$24,120.00** – LEGAL FEES RENDERED THROUGH APRIL 25, 2007 – MEEK MORTGAGE

DIMENSIONAL FUND ADVISORS – APRIL 30, 2007 - **\$185,569.14** – 2007 FIRST QUARTER FEES

FISHER INVESTMENTS – APRIL 13, 2007 - **\$178,950.10** – 2007 FIRST QUARTER FEES

GABRIEL, ROEDER, SMITH AND COMPANY – MAY 1, 2007 - **\$4,500.00** – MAY, 2007 SERVICES

INCOME, RESEARCH AND MANAGEMENT – MARCH 31, 2007 - **\$45,047.35** – 2007 FIRST QUARTER FEES

THE TOWNSEND GROUP – MAY 2, 2007 - **\$11,250.00** – MAY, 2007 FEES

WALKER, LAWRENCE – MAY 1, 2007 - **\$393.75** – FEBRUARY, 2007 FEES – ODYSSEY

WELLS FARGO – MAY 4, 2007 - **\$162,723.32** – 2007 FIRST QUARTER FEES

CLARK ET AL & RETIRED POLICE & FIREFIGHTERS' ASSOCIATION ET AL VERSUS THE CITY OF DETROIT BOARD OF TRUSTEES ET AL
WAYNE CIRCUIT CASE NO. 82-235598-CL

BY MR. BEST – SUPPORTED BY MR. MOORE

CLARK ET AL & RETIRED POLICE & FIREFIGHTERS' ASSOCIATION ET AL VERSUS THE CITY OF DETROIT BOARD OF TRUSTEES ET AL WAYNE CIRCUIT CASE NO. 82-235598-CL

Resolved, That all petitions of said pre-July 1, 1983 and pre-July 1, 1986 (as applicable) Option II and Option III retirants, whose beneficiaries pre-deceased the retirants, for adjustment of retirement benefits to a Straight Life retirement be granted effective the first day of the month following the date of application and procedures be followed otherwise identical to the processing and computation for adjustments made to divorced Option II and Option III retirants pursuant to domestic relations court orders:

FREDERICK COSTELLO

DATE OF DEATH: DECEMBER 26, 2006

APPLICATION FILED: APRIL 6, 2007

JOHN WROBEL

DATE OF DEATH: APRIL 12, 2007

APPLICATION FILED: APRIL 19, 2007

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON, MOORE, ORZEC, SCOTT, STEWART, TALABI AND CHAIRMAN ENGLISH – 11

NAYS – NONE

■ TRUSTEE STEWART TEMPORARILY EXCUSED HIMSELF AND THEN RE-JOINED THE MEETING.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING MILESTONE AND MEEK MORTGAGE.

MEEK MORTGAGE/BHM BRET LIN MORTGAGE
\$30,000,000.00 CREDIT ENHANCEMENT PROPOSAL

BY MR. BEST – SUPPORTED BY MR. SCOTT

WHEREAS, THE BOARD IS IN RECEIPT OF A MARCH 28, 2007 MEMORANDUM FROM ITS DUE DILIGENCE ADVISOR DONALD A. WAGNER, AND

WHEREAS, THE BOARD NOTES THAT DUE DILIGENCE FEES HAVE NEARLY EXHAUSTED THE \$25,000.00 ESCROW ACCOUNT FUNDING PROVIDED BY MEEK MORTGAGE, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, THEREFORE BE IT

RESOLVED, THAT THE BOARD HAS NO FURTHER INTEREST IN THE \$30,000,000.00 CREDIT ENHANCEMENT PROPOSAL BASED UPON ALL INFORMATION AVAILABLE TO DATE, AND BE IT FURTHER

RESOLVED, THAT NO FURTHER DUE DILIGENCE COSTS BE INCURRED AND NO FURTHER ESCROW FUNDING BE ACCEPTED, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO ROBERT SHUMAKE AND DONALD A. WAGNER:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON,
MOORE, ORZECH, SCOTT, STEWART, TALABI AND CHAIR-
MAN ENGLISH – 11

NAYS – NONE

CLOSED SESSION

By Ms. Freeman – Supported by Mr. Stewart

Resolved, That the Board enter into Closed Session for the purpose of discussing matters involving attorney/client privilege:

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON,
MOORE, ORZECH, SCOTT, STEWART, TALABI AND CHAIR-
MAN ENGLISH – 11

NAYS – NONE

The Board entered into Closed Session at 10:05 A.M.

OPEN SESSION

By Mr. Stewart – Supported by Ms. Freeman

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON,
MOORE, ORZECH, SCOTT, STEWART, TALABI AND CHAIR-
MAN ENGLISH – 11

NAYS – NONE

The Board returned to Open Session at 10:25 A.M.

LIGHTSTONE VALUE PLUS REAL ESTATE INVESTMENT TRUST

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, LEGAL COUNSEL HAS REPORTED TO THE BOARD THAT ALL REQUIREMENTS OF THE BOARD'S APRIL 26, 2007 RESOLUTION HAVE BEEN SATISFIED, AND

WHEREAS, A REQUEST FOR THE FUNDING OF \$10,000,000.00 HAS BEEN RECEIVED, AND

WHEREAS, GENERAL COUNSEL HAS APPROVED ALL DOCUMENTATION AND SUPPORTS THE WIRING OF THE FUNDS CONSISTENT WITH THE TRANSACTION DOCUMENTS, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES THE EXECUTION OF THE SUBSCRIPTION DOCUMENTS, AND BE IT FURTHER

RESOLVED, THAT THE \$10,000,000.00 BE WIRE-TRANSFERRED ON MAY 11, 2007 AND A COPY OF THIS RESOLUTION BE FORWARDED TO LIGHTSTONE:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON, MOORE, ORZECZ, SCOTT, STEWART, TALABI AND CHAIRMAN ENGLISH – 11

NAYS – NONE

STEWART REAL ESTATE MANAGEMENT, LLC

LEGAL COUNSEL REPORTED THAT ALL REQUIREMENTS OF THE BOARD'S FEBRUARY 8, 2007 RESOLUTION HAVE BEEN SATISFIED AND THE FIRST DRAW REQUEST, IN THE AMOUNT OF \$321,666.67, IS SCHEDULED FOR WIRE-TRANSFER THIS DATE.

PFRS OAK GROVE CORPORATION

THE BOARD WAS MADE AWARE OF THE EXECUTION OF THE DOCUMENTS WHICH ARE REFERENCED BELOW (DATED MAY 10, 2007) BY AN OFFICER OF THE CORPORATION:

WARRANTY DEED

BILL OF SALE

ASSIGNMENT AND ASSUMPTION OF LEASES

ASSIGNMENT AND ASSUMPTION OF SERVICE CONTRACTS

AFFIDAVIT OF OWNER TO TITLE COMPANY

AFFIDAVIT OF OWNER (RE: NON-FOREIGN PERSON)

LOAN ASSUMPTION AND SUBSTITUTION AGREEMENT

CERTIFICATE OF ORIGINAL BORROWER

CERTIFICATE/FORM RESOLUTION

UNANIMOUS WRITTEN CONSENT OF DIRECTORS (RE: SALE OF CORPORATE PROPERTY)

JOEL SNYDER LITIGATION

SPECIAL COUNSEL JOE TURNER PROVIDED EACH BOARD MEMBER WITH A COPY OF A MOTION FOR SUMMARY DISPOSITION REGARDING THE ABOVE-CAPTIONED LITIGATION.

BANYAN REALTY ADVISORS, LLC/SG CAPITAL GROUP

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, BANYAN REALTY ADVISORS, LLC HAS PRESENTED THE BOARD WITH A MARCH 8, 2007 COMMUNICATION WHEREIN BANYAN REALTY ADVISORS, LLC REQUESTS THAT THE BOARD APPROVE ITS DUE DILIGENCE BUDGET REGARDING SG CAPITAL GROUP IN THE AMOUNT OF **\$6,600.00**, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF BANYAN REALTY ADVISORS, LLC BE APPROVED AND A COPY OF THIS RESOLUTION BE FORWARDED TO BANYAN REALTY ADVISORS, LLC, SG CAPITAL GROUP AND RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON, MOORE, ORZECZ, SCOTT, STEWART, TALABI AND CHAIRMAN ENGLISH – 11

NAYS – NONE

MAYFIELD GENTRY REALTY ADVISORS

CHAUNCEY MAYFIELD AND FOUR ASSOCIATES APPEARED BEFORE THE BOARD, DISCUSSED MAYFIELD GENTRY'S INVESTMENT PROPOSAL FOR THE SYSTEM, AS WELL AS MAYFIELD GENTRY'S GENESIS VALUE FUND, AND THEN EXCUSED THEMSELVES.

SMITH BARNEY

BRUCE BALLARD AND AN ASSOCIATE APPEARED BEFORE THE BOARD, DISCUSSED MANAGER PERFORMANCE AND THEN EXCUSED THEMSELVES.

AERC/IDLEWYLDE APARTMENTS

BY MR. STEWART – SUPPORTED BY MR. SCOTT

Whereas, the Board of Trustees, in regards to the Idlewylde property, opted to exercise its option set forth in Section 9.2 (Sale of Community) of the Limited Liability Company Agreement of AERC DPF Georgia Ventures, LLC on Thursday, May 3, 2007, and

Whereas, Banyan Realty Advisors notified AERC of the Board's decision in a Market Sale Offering Notice dated May 9, 2007 and requested approval on May 10, 2007 from the Board to release a copy of the recent Idlewylde appraisal and any other related marketing information related to AERC, Therefore Be It

Resolved that the Board approved the release of the Idlewylde appraisal and other related marketing information pending receipt of a written request from AERC, and be It further

Resolved, That a copy of this resolution be forwarded to AERC and Banyan Realty Advisors:

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON,
MOORE, ORZECH, SCOTT, STEWART, TALABI AND CHAIR-
MAN ENGLISH – 11

NAYS – NONE

CONFERENCES

By Mr. Stewart – Supported by Mr. Scott

Resolved, That the Board approve the attendance of all Trustees, the Executive Secretary, the Assistant Executive Secretary and General Counsel at the below-referenced conferences, and be it further

Resolved, That the Board approve expenditures for all Trustees, the Executive Secretary, the Assistant Executive Secretary and General Counsel to attend said conferences:

NASP CONFERENCE
NEW YORK
JUNE 27, 2007 – JUNE 29, 2007

53RD ANNUAL EMPLOYEE BENEFITS CONFERENCE
ANAHEIM, CALIFORNIA
NOVEMBER 3, 2007 – NOVEMBER 8, 2007

IIEF 6TH ANNUAL CONFERENCE
NEW YORK
NOVEMBER 29, 2007 – DECEMBER 1, 2007

YEAS – TRUSTEES BANDEMER, BEASLEY, BEST, FREEMAN, MILTON,
MOORE, ORZECH, SCOTT, STEWART, TALABI AND CHAIR-
MAN ENGLISH – 11

NAYS – NONE

200 SOUTH TRYON SQUARE
201 SOUTH TRYON SQUARE
MAYFIELD GENTRY REALTY ADVISORS, INC.

BY MS. TALABI – SUPPORTED BY MS. FREEMAN

WHEREAS, THE BOARD IS IN RECEIPT OF A MAY 10, 2007 REPORT AND INVESTMENT PROPOSAL FROM MAYFIELD GENTRY REALTY ADVISORS, INC. WHICH REQUESTS:

1. THE TRANSFER OF 200 SOUTH TRYON AT EQUITY VALUE OF \$20,000,000.00 TO THE MAYFIELD GENTRY REALTY ADVISORS, INC. GENESIS VALUE FUND
2. THE TRANSFER OF 201 SOUTH TRYON AT EQUITY VALUE OF \$35,000,000.00 TO THE MAYFIELD GENTRY REALTY ADVISORS, INC. GENESIS VALUE FUND
3. ADDITIONAL COMMITMENT OF \$5,000,000.00 TO THE MAYFIELD GENTRY REALTY ADVISORS, INC. GENESIS VALUE FUND (I.E., INCREASING COMMITMENT FROM \$20,000,000.00 TO \$25,000,000.00), THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES THE FOREGOING SUBJECT TO FINAL APPROVAL BY SPECIAL COUNSEL F. LOGAN DAVIDSON AND GENERAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MAYFIELD GENTRY REALTY ADVISORS, INC. AND SPECIAL COUNSEL F. LOGAN DAVIDSON:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE, SCOTT, STEWART, TALABI AND CHAIRMAN ENGLISH – 9

NAYS – TRUSTEES BEST AND ORZECH – 2

PUBLIC FORUM

AT **1:15 P.M.**, CHAIRMAN ENGLISH DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, CHAIRMAN ENGLISH ADJOURNED THE MEETING AT **1:20 P.M.** UNTIL THURSDAY, **MAY 24, 2007**, AT **9:00 A.M.**, IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

CYNTHIA A. THOMAS
ASSISTANT EXECUTIVE SECRETARY