

MEETING NUMBER 2629

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



PROCEEDINGS HELD THURSDAY, MAY 24, 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
Gregory Best	Elected Trustee/Vice Chairperson
George Orzech	Elected Trustee
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

EXCUSED

Jeffrey Beasley	Ex/Officio Trustee/Treasurer
Frank English	Elected Trustee/Chairperson
Shereece Fleming-Freeman	Ex/Officio Alternate Trustee
DeDan Milton	Ex/Officio Alternate Trustee
James Moore	Elected Trustee
Tyrone Scott	Ex/Officio Trustee/Fire Commissioner

ABSENT

None

CHAIRPERSON

*Frank English*

ROLL CALL WAS TAKEN AT **9:05** A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

MAYFIELD GENTRY REALTY ADVISORS  
GRAND PARK CENTRE

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Whereas, The Board has been presented with a May 23, 2007 communication from Mayfield Gentry Realty Advisors wherein Mayfield Gentry requests that the Board fund its portion of the capital call due for Grand Park Centre in the amount of \$529,887.53, Therefore Be It

Resolved, That subject to final approval of all transaction documents by the Board's Legal Counsel, the Board approve said funding:

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

MMA REALTY CAPITAL  
THE LAFER BUILDING

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Whereas, The Board has been presented with a May 23, 2007 communication from MMA Realty Capital wherein MMA Realty Capital requests that the Board fund its portion of the capital call due for the Lafer Building in the amount of \$117,096.26, Therefore Be It

Resolved, That subject to final approval of all transaction documents by the Board's Legal Counsel, the Board approve said funding:

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

RDD INVESTMENT CORPORATION

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Whereas, The Board has been presented with a May 18, 2007 communication from RDD Investment Corporation wherein RDD Investment Corporation requests that the Board fund Draw 9 for RDD Investment Corporation in the amount of \$142,000.00, Therefore Be It

RDD INVESTMENT CORPORATION

Resolved, That subject to final approval of all transaction documents by the Board's Legal Counsel, the Board approve said funding:

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

TOUCHSTONE

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Whereas, The Board has been presented with a May 11, 2007 communication from Touchstone wherein Touchstone requests that the Board fund its portion of the capital call due for Touchstone Opportunity Fund III in the amount of \$835,153.85, Therefore Be It

Resolved, That subject to final approval of all transaction documents by the Board's Legal Counsel, the Board approve said funding:

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

RETIREMENTS – BY MR. STEWART – SUPPORTED BY MR. BANDEMER

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

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

RETIREMENTS

NAME, TITLE, DEPARTMENT	RODOLFO GARCIA – OFFICER – POLICE
RETIREMENT, PLAN	SERVICE – NEW
SERVICE CREDIT, EFFECTIVE DATE	21 06 17 – 05 26 07

NAME, TITLE, DEPARTMENT	ELEANOR POOLE – OFFICER – POLICE
RETIREMENT, PLAN	DUTY DISABILITY RETIREMENT CONVERSION – NEW
SERVICE CREDIT, EFFECTIVE DATE	25 00 00 – 04 19 07

NAME, TITLE, DEPARTMENT	CHARLES REDDEN – OFFICER – POLICE
RETIREMENT, PLAN	SERVICE – NEW
SERVICE CREDIT, EFFECTIVE DATE	21 05 18 – 07 03 07

CONFIRMATIONS

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

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

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

CONFIRMATIONS

THE BOARD RECEIVED THE SUM OF \$598.00 ON MAY 17, 2007  
FROM ABEL NOSER (APRIL, 2007 COMMISSION RECAPTURE)

THE BOARD RECEIVED THE SUM OF \$7,500.00 ON MAY 15, 2007  
FROM GUIDANCE CAPITAL – DUE DILIGENCE

THE BOARD RECEIVED THE SUM OF \$7,500.00 ON MAY 16, 2007  
FROM INLAND – DUE DILIGENCE

THE BOARD RECEIVED THE SUM OF \$17,500.00 ON MAY 16, 2007  
FROM HEALTHY ACCESS – DUE DILIGENCE

THE BOARD RECEIVED THE SUM OF \$120,742.64 ON MAY 16, 2007  
FROM RESEARCH ANALYST (SECURITIES LITIGATION)

THE BOARD RECEIVED THE SUM OF \$56,066.67 ON MAY 16, 2007  
FROM THE SHEFFIELD (MMA)

THE BOARD RECEIVED THE SUM OF \$114,998.44 ON MAY 16, 2007  
FROM NOB HILL

CONFIRMATIONS

THE BOARD RECEIVED THE SUM OF \$14,614.18 ON MAY 10, 2007  
FROM THE COLUMNS OF KENTUCKY

THE BOARD RECEIVED THE SUM OF \$24,106.77 ON MAY 10, 2007  
FROM THE TRELLISES OF KENTUCKY

THE BOARD RECEIVED THE SUM OF \$48,156.68 ON MAY 9, 2007  
FROM THE KALES BUILDING

THE BOARD RECEIVED THE SUM OF \$60,882.54 ON MAY 17, 2007  
FROM BEHRINGER'S HARVARD REIT

THE BOARD RECEIVED THE SUM OF \$3,069.17 ON MAY 23, 2007  
FROM PHILLIP MORRIS – CLASS ACTION PROCEEDS

THE BOARD RECEIVED THE SUM OF \$107,952.04 ON MAY 23, 2007  
FROM THE OM GROUP – CLASS ACTION PROCEEDS

THE BOARD RECEIVED THE SUM OF \$60,436.95 ON MAY 9, 2007  
FROM BRISTOL MYERS – CLASS ACTION PROCEEDS

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

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 **#3238**, IN THE  
AMOUNT OF **\$2,150,425.72**, INCLUDING INTEREST, BE REFUNDED  
PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

REFUNDS OF ACCUMULATED CONTRIBUTIONS

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

MINUTES OF APRIL 26, 2007 AND MAY 3, 2007

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY,  
APRIL 26, 2007 BE APPROVED AS RECORDED AND SUBMITTED BY  
THE BOARD'S RECORDING SECRETARY, AND BE IT FURTHER

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY,  
MAY 3, 2007 BE APPROVED AS RECORDED AND SUBMITTED BY  
THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

MAYFIELD GENTRY REALTY ADVISORS  
2007 BUDGET AND BUSINESS PLANS

BY MR. STEWART – SUPPORTED BY MS. TALABI

WHEREAS, THE BOARD IS IN RECEIPT OF THE 2007 BUDGET AND  
BUSINESS PLANS FOR THE REAL ESTATE PORTFOLIO MANAGED BY  
MAYFIELD GENTRY REALTY ADVISORS, AND

MAYFIELD GENTRY REALTY ADVISORS  
2007 BUDGET AND BUSINESS PLANS

WHEREAS, THE BOARD INFORMALLY APPROVED SAID 2007 BUDGET AND BUSINESS PLANS BUT NOTES THAT A FORMAL RESOLUTION WAS NOT ADOPTED, AND

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

RESOLVED, THAT THE 2007 BUDGET AND BUSINESS PLANS DATED DECEMBER 14, 2006 BY MAYFIELD GENTRY REALTY ADVISORS IS HEREBY APPROVED, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MAYFIELD GENTRY REALTY ADVISORS, THE TOWNSEND GROUP AND RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND VICE CHAIRMAN BEST – 5

NAYS – NONE

BILL PAYMENT REQUESTS

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

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:

BILL PAYMENT REQUESTS

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

ADP – MAY 4, 2007 - \$211.46 – POLICE AND FIRE PORTION OF \$422.92 – CONTRACT/MISCELLANEOUS SERVICES

ADP – MARCH 30, 2007 - \$65.55 – POLICE AND FIRE PORTION OF \$131.10 – AUTO II PROCESSING CHARGES FOR THE PERIOD ENDING MARCH 31, 2007

ADP – APRIL 27, 2007 - \$52.26 – POLICE AND FIRE PORTION OF \$104.52 – AUTO II PROCESSING CHARGES FOR THE PERIOD ENDING APRIL 30, 2007

ADP – APRIL 27, 2007 - \$99.55 – POLICE AND FIRE PORTION OF \$199.09 – CONTRACT/MISCELLANEOUS SERVICES

CRAIN'S DETROIT BUSINESS – MAY 23, 2007 - \$79.00 – SUBSCRIPTION FEE FOR TRUSTEE PAUL STEWART

CREDIT SUISSE – MAY 10, 2007 - \$32,817.67 – 2007 FIRST QUARTER FEES

DELL MARKETING – MAY 1, 2007 - \$4,408.00 – POLICE AND FIRE PORTION OF \$8,816.00 – CONTRACT/MISCELLANEOUS SERVICES

EARTH LINK – APRIL 29, 2007 - \$109.75 – POLICE AND FIRE PORTION OF \$219.50 – TRUSTEE INTERNET ACCESS

ENGLISH, FRANK – MAY 23, 2007 - \$261.00 – PARKING REIMBURSEMENT

HOWARD AND HOWARD – MAY 9, 2007 - \$862.50 – SERVICES THROUGH APRIL 30, 2007 – GSC PARTNERS

BILL PAYMENT REQUESTS

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

HSBC – APRIL 24, 2007 - \$86,311.74 – 2007 FIRST QUARTER SERVICES

HSBC – APRIL 24, 2007 - \$21,892.35 – 2007 FIRST QUARTER SERVICES

IRON MOUNTAIN – APRIL 30, 2007 - \$687.73 – POLICE AND FIRE PORTION OF \$1,375.46 – CONTRACT/MISCELLANEOUS SERVICES

IRON MOUNTAIN – APRIL 30, 2007 - \$78.15 – POLICE AND FIRE PORTION OF \$156.30 – CONTRACT/MISCELLANEOUS SERVICES

MAYFIELD GENTRY REALTY ADVISORS – MAY 16, 2007 - \$269,082.53 – MAY, 2007 ASSET MANAGEMENT AND MORTGAGE SERVICING FEES

MERCURY STORAGE – MAY 9 ,2007 - \$158.95 – POLICE AND FIRE PORTION OF \$317.89 – STORAGE FEE

NEOPOST – MAY 14, 2007 - \$5,000.00 – POLICE AND FIRE PORTION OF \$10,000.00 – POSTAGE

NORTH POINT ADVISORS – MARCH 5, 2007 - \$20,000.00 – RLJ DUE DILIGENCE

NORTH POINT ADVISORS – MAY 21, 2007 - \$12,500.00 – JUNE, 2007 AND JULY, 2007 CONSULTING FEES

NORTH POINTE CAPITAL – MAY 1, 2007 - \$25,478.44 – 2007 FIRST QUARTER FEES

BILL PAYMENT REQUESTS

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

PAYDEN AND RYGEL – MAY 10, 2007 - \$27,690.00 – APRIL, 2007 FEES

SUN BELT SOFTWARE – MAY 11, 2007 - \$200.82 – POLICE AND FIRE PORTION OF \$401.63 – OFFICE SUPPLIES

TT INTERNATIONAL – MAY 22, 2007 - \$211,093.07 – 2007 FIRST QUARTER FEES

VERIZON WIRELESS – MAY 4, 2007 - \$2,007.32 – MISCELLANEOUS

XJJ COMPANY – MAY 23, 2007 - \$25,330.40 – POLICE AND FIRE PORTION OF \$50,660.80 – EMPLOYEE PAYROLL FOR THE PERIOD APRIL 23, 2007 THROUGH MAY 18, 2007

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND VICE CHAIRMAN BEST – 5

NAYS – NONE

LEGAL COUNSEL'S BILLING

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT LEGAL COUNSEL'S BILLING DATED MAY 24, 2007, FOR THE MONTH OF MAY, 2007, IN THE AMOUNT OF **\$12,574.14**, BE APPROVED AND SAID AMOUNT BE PAID PURSUANT TO WIRE-TRANSFER INSTRUCTIONS ON FILE WITH THE POLICE AND FIRE RETIREMENT SYSTEM:

LEGAL COUNSEL'S BILLING

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

Pre-Employment Military Service Credit

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Whereas, The individuals whose names are designated below have applied to this Board for Pre-Employment Military Service Credit and have complied with all of the necessary requirements of Section 54-30-3-B of the Charter Provisions, as amended by Board resolution of February 3, 1983, Therefore Be It

Resolved, That payment of the full amounts be made to the Pension Accumulation Fund by the method selected by the individuals and the number of months eligible active duty be credited them as membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions as amended by Board resolution of February 3, 1983:

TOMMY BELL, OFFICER  
JUNIUS DONALDSON, OFFICER  
CEDRIC HARRIS, OFFICER  
VINCENT PETERSON, OFFICER  
JAMES REDD, OFFICER  
MICHAEL REED, OFFICER  
ROBERT WEST, OFFICER

Pre-Employment Military Service Credit

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

■ LEGAL COUNSEL **RONALD ZAJAC** ENTERED THE MEETING.

HOWARD & HOWARD

HANK BRENNAN APPEARED BEFORE THE BOARD TO DISCUSS  
GSC PARTNERS' CDO FUNDS I AND II.

CLOSED SESSION

BY MR. BANDEMER – 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, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

The Board entered into Closed Session at 9:14 A.M.

■ SPECIAL COUNSEL JOE TURNER ENTERED THE MEETING  
DURING CLOSED SESSION.

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, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

The Board returned to Open Session at 10:00 A.M. and the Board excused Mr. Brennan.

PRISA II

BY MR. STEWART – SUPPORTED BY MS. TALABI

WHEREAS, The Board has previously committed \$20,000,000.00 to the Prudential Real Estate Investors Separate Account II (PRISA II) fund, and

WHEREAS, The Board is in receipt of a letter from its real estate consultant, The Townsend Group, wherein Townsend is advising the Board that new investor commitments to PRISA II are 35% above the maximum amount which PRISA II fund management will be able to accept, and

WHEREAS, Townsend has advised the Board that PRISA II management will be accepting only 62.5% of the amount committed by new investors such as PFRS, and

WHEREAS, The Board wishes to invest \$20,000,000.00 in PRISA II, and

PRISA II

WHEREAS, Townsend has recommended that the Board increase its commitment to PRISA II to \$32,000,000.00 so that PRISA II management will ultimately accept a \$20,000,000.00 investment from the Retirement System, Therefore be it

RESOLVED, That the commitment to PRISA II be increased to \$32,000,000.00, and a copy of this resolution be forwarded to PRISA II management, The Townsend Group and Retirement System Accounting Staff:

Yeas – Trustees Bandemer, Orzech, Stewart, Talabi and Vice Chairman Best – 5

Nays – None

MILESTONE REALTY SERVICES, INC.  
POTENTIAL PURCHASE OF 7850 EAST JEFFERSON

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF A MAY 15, 2007 REPORT AND LETTER REQUESTING THE APPROVAL OF ONE-HALF OF UP TO \$50,000.00 FOR DUE DILIGENCE MATTERS INDICATED IN THE MAY 15, 2007 LETTER AND ONE-HALF OF \$30,000.00 ADVISOR'S FEES, AND

WHEREAS, THE BOARD NOTES THAT THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT HAS AGREED TO PAY ONE-HALF OF THE FOREGOING COSTS, AND

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

MILESTONE REALTY SERVICES, INC.  
POTENTIAL PURCHASE OF 7850 EAST JEFFERSON

RESOLVED, THAT MILESTONE'S REQUESTS, AS INDICATED ABOVE, ARE APPROVED AND THE BOARD APPROVES PAYMENT OF ONE-HALF OF THE ESTIMATED \$50,000.00 DUE DILIGENCE COSTS AND ONE-HALF OF \$30,000.00 OF ADVISOR'S FEES, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MILESTONE REALTY SERVICES, INC., THE BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT AND RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Orzech, Stewart, Talabi and Vice  
Chairman Best – 5

Nays – None

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING MAYFIELD GENTRY REALTY ADVISORS' 2007 BUDGET AND BUSINESS PLANS, A FOIA REQUEST FROM WXYZ REPORTER STEVE WILSON, YAHOO!

FOIA REQUEST OF WXYZ REPORTER STEVE WILSON

AT THE DIRECTION OF THE CHAIR, AN FOIA REQUEST FROM WXYZ REPORTER STEVE WILSON WILL BE FORWARDED TO LEGAL COUNSEL FOR RESPONSE PURSUANT TO ESTABLISHED PROCEDURES.

YAHOO! (POTENTIAL CLASS ACTION LITIGATION)

EACH BOARD MEMBER WAS PRESENTED WITH A COPY OF A MAY 15, 2007 LETTER FROM SPECIAL COUNSEL BERNSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP REGARDING YAHOO!

RDD INVESTMENT CORPORATION

CLOSED SESSION

BY MR. BANDEMER – 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, ORZECH, STEWART, TALABI AND VICE CHAIRMAN BEST – 5

NAYS – NONE

The Board entered into Closed Session at 10:30 A.M.

DURING CLOSED SESSION, SPECIAL COUNSEL JOE TURNER PROVIDED EACH BOARD MEMBER WITH A COPY OF A MAY 10, 2007 COMMUNICATION REGARDING RDD INVESTMENT CORPORATION AND THE BOARD DISCUSSED RDD INVESTMENT CORPORATION WITH DENNIS CAWTHORNE AND ATTORNEY GENERAL FRANK KELLEY VIA SPEAKER CONFERENCE.

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, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT 11:06 A.M.

NORTH POINT ADVISORS

ADRIAN ANDERSON APPEARED BEFORE THE BOARD AND DISCUSSED, AMONG OTHER MATTERS, REAL TIMES, INC., TOUCHSTONE, CHESS CAPITAL AND THE BOARD'S MID-CAP MANAGER SEARCH.

THE BOARD THEN EXCUSED MR. ANDERSON.

**ENERGY INVESTORS FUND (PROJECT SPONSOR)**  
**\$20,000,000 UNITED STATES POWER FUND III, L.P. INVESTMENT**

By Ms. Talabi – Supported by Mr. Stewart

**WHEREAS**, The Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the "Board") previously approved the above-referenced investment, subject to a favorable legal review from Clark Hill, PLC (the "Special Legal Counsel"), and

**WHEREAS**, Special Legal Counsel approves the documentation subject to finalization of the documents by the Plan Sponsor with final approval thereof by General Counsel and Special Legal Counsel, **THEREFORE BE IT**

**ENERGY INVESTORS FUND (PROJECT SPONSOR)**  
**\$20,000,000 UNITED STATES POWER FUND III, L.P. INVESTMENT**

**RESOLVED**, That the Board hereby approves the signing of the closing documents (the Closing Documents), subject to review and final approval by General Counsel and Special Legal Counsel, and be it further

**RESOLVED**, That the Closing Documents include but are not limited to:

Subscription Agreement – Blocker Fund  
Subscription Agreement – Direct Feeder Fund  
Side Letter  
W-9, and be it further

**RESOLVED**, That the Board authorizes its signatories, two (2) trustees, to execute, and deliver the Closing Documents and any documentation required by the Board's General Counsel and Special Legal Counsel to consummate the closing on the investment, and be it further

**RESOLVED**, That a copy of this resolution be forwarded to the Project Sponsor, and Special Legal Counsel:

Yeas – Trustees Bandemer, Orzech, Stewart, Talabi and Vice Chairman Best – 5

Nays – None

**INLAND AMERICAN REIT (PROJECT SPONSOR)**  
**\$15,000,000.00 INLAND AMERICAN REAL ESTATE TRUST, INC. INVESTMENT**

**BY MR. BANDEMER – SUPPORTED BY MR. STEWART**

WHEREAS, The Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the "Board") previously approved the above-referenced investment, subject to a favorable due diligence report from North Point Advisors (the "Board's Advisor") and a legal review from Clark Hill, PLC (the "Special Legal Counsel"), and

WHEREAS, The Board's Advisor has submitted a due diligence report dated April 5, 2007, and

WHEREAS, The Special Legal Counsel has provided his approval of the documentation and the Board General Counsel concurs, and

INLAND AMERICAN REIT (PROJECT SPONSOR)  
\$15,000,000.00 INLAND AMERICAN REAL ESTATE TRUST, INC. INVESTMENT

WHEREAS, The Board has received a disbursement request dated May 23, 2007 from the Plan Sponsor requesting a wire transfer of \$15,000,000.00 for the funding of the investment THEREFORE BE IT

RESOLVED, That the Board hereby approves the signing of the closing documents (the Closing Documents), subject to the review and final approval by General Counsel and Special Legal Counsel, and be it further

RESOLVED, That the Closing Documents include, but are not limited to:

Subscription Agreement  
Disbursement Request  
W-9, and be it further

RESOLVED, That the Board hereby approves the funding of the investment and authorizes a \$15,000,000.00 wire transfer to the Project Sponsor's Agent as described in the Disbursement Request which shall be completed consistent with the Board's policy, subject to the review and approval of General Counsel and Special Legal Counsel, and be it further

RESOLVED, That the Board authorizes its signatories, two (2) trustees, to execute, and deliver the Closing Documents and any documentation required by the Board's General Counsel and Special Legal Counsel to consummate the closing on the investment, and be it further

RESOLVED, That a copy of this resolution be forwarded to the Project Sponsor, the Board's Advisor and Special Legal Counsel:

Yeas – Trustees Bandemer, Orzech, Stewart, Talabi and Vice Chairman  
Best – 5

Nays – None

## CONFERENCES

By Mr. Stewart – Supported by Mr. Bandemer

Resolved, That the Board approve the attendance of all Trustees, the Executive Secretary, the Assistant Executive

CONFERENCES

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:

GUNS & HOSES CONFERENCE  
CALIFORNIA  
SEPTEMBER 15, 2007 – SEPTEMBER 19, 2007

BERNSTEIN, LITOWITZ, BERGER & GROSSMANN, LLC CONFERENCE  
NEW YORK  
OCTOBER 10, 2007 – OCTOBER 13, 2007

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

BILL PAYMENT REQUESTS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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:

BILL PAYMENT REQUESTS

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

BANYAN REALTY ADVISORS, LLC – MAY 22, 2007 - \$12,000.00 –  
LIGHTSTONE VALUE PLUS REAL ESTATE INVESTMENT TRUST DUE  
DILIGENCE

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

REQUEST OF THE RETIRED DETROIT POLICE AND FIRE FIGHTERS'  
ASSOCIATION

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, THE RETIRED DETROIT POLICE AND FIRE FIGHTERS'  
ASSOCIATION HAS PRESENTED THE BOARD WITH A MAY 24, 2007  
REQUEST TO ALLOW THE ASSOCIATION TO IMPLEMENT A  
MONTHLY ANNUAL DUES PAYROLL DEDUCTION PROGRAM WITH  
THE SYSTEM, AND

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

RESOLVED, THAT THE REQUEST OF THE ASSOCIATION IS HEREBY  
APPROVED, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED  
TO THE RETIRED DETROIT POLICE AND FIRE FIGHTERS'  
ASSOCIATION:

REQUEST OF THE RETIRED DETROIT POLICE AND FIRE FIGHTERS'  
ASSOCIATION

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

FALCONHEAD

BY MS. TALABI – SUPPORTED BY STEWART

RESOLVED, THAT FALCONHEAD REPRESENTATIVES BE REQUESTED  
TO APPEAR BEFORE THE BOARD FOR PRESENTATION PURPOSES:

YEAS – TRUSTEES BANDEMER, ORZECH, STEWART, TALABI AND  
VICE CHAIRMAN BEST – 5

NAYS – NONE

STEWART CAPITAL MANAGEMENT  
STEWART REAL ESTATE PARTNERS FUND 1, L.P.

AT THE DIRECTION OF THE VICE CHAIR, TRUSTEE GEORGE  
ORZECH IS HEREBY APPOINTED REPRESENTATIVE OF THE POLICE  
AND FIRE RETIREMENT SYSTEM TO THE ADVISORY COMMITTEE OF  
STEWART REAL ESTATE PARTNERS FUND 1, L.P.

PUBLIC FORUM

AT **1:01 P.M.**, VICE CHAIRMAN BEST DECLARED THE MEETING IN  
OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC  
ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, VICE CHAIRMAN BEST ADJOURNED THE MEETING AT **1:12 P.M.** UNTIL THURSDAY, **MAY 31, 2007**, AT **9:00 A.M.**, IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

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CYNTHIA A. THOMAS  
ASSISTANT EXECUTIVE SECRETARY