

MEETING NUMBER 2652

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



PROCEEDINGS HELD THURSDAY, NOVEMBER 1, 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/Vice Chairperson |
| Jeffrey Beasley | Ex/Officio Trustee/Treasurer |
| Gregory Best | Elected Trustee/ Chairperson |
| Shereece Fleming-Freeman | Ex/Officio Alternate Trustee |
| DeDan Milton | Ex/Officio Alternate Trustee |
| James Moore | Elected Trustee |
| George Orzech | Elected Trustee |
| Jeffrey Pegg | Elected Trustee |
| Paul Stewart | Elected Trustee |
| Alberta Tinsley-Talabi | Ex/Officio Trustee/City Council Rep. |
| 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

| | |
|--------------|--------------------------------------|
| Tyrone Scott | Ex/Officio Trustee-Fire Commissioner |
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ABSENT

None

CHAIRPERSON

Gregory Best

ROLL CALL WAS TAKEN AT 9:11 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

TRUSTEE STEWART TEMPORARILY EXCUSED HIMSELF.

CITIGROUP CAPITAL PARTNERS

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

Whereas, The Board has been presented with an October 26, 2007 communication from CitiGroup Capital Partners wherein CitiGroup Capital Partners requests that the Board fund its portion of the capital call due for CitiGroup Capital partners II Offshore, L.P. in the amount of \$2,300,000.00, 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, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

INTERCONTINENTAL

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

Whereas, The Board has been presented with an October 22, 2007 communication from Intercontinental wherein Intercontinental requests that the Board fund its portion of the capital call due for U. S. real Estate Investment Fund, LLC in the amount of \$15,000,000.00, 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, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

LIBERTY LIFE ASSURANCE COMPANY OF BOSTON

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

Whereas, The Board has been presented with an October 29, 2007 communication from Liberty Life Assurance Company of Boston wherein Liberty Life Assurance Company of Boston requests that the Board fund its portion of the capital call due for USPF II Institutional Fund, LP. in the amount of \$2,324,902.00, 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, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

CONFIRMATIONS

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

RESOLVED, THAT THE DISBURSEMENTS AND RECEIPTS WHICH ARE REFERENCED BELOW AND ON THE PAGES WHICH FOLLOW BE CONFIRMED:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

CONFIRMATIONS (DISBURSEMENTS)

THE BOARD DISBURSED THE SUM OF \$33,849.77 ON OCTOBER 17, 2007 TO FUND CANYON JOHNSON

THE BOARD DISBURSED THE SUM OF \$35,207.88 ON OCTOBER 19, 2007 TO REIMBURSE THE GENERAL FUND – CHECK WRITE ADMINISTRATIVE EXPENSES

THE BOARD DISBURSED THE SUM OF \$25,000.00 ON OCTOBER 19, 2007 TO FUND THE CAPITAL CALL FOR RDD INVESTMENT CORPORATION

THE BOARD DISBURSED THE SUM OF \$29,000.00 ON OCTOBER 19, 2007 TO PAY PLANTE MORAN'S AUDITING FEES (2006-2007)

CONFIRMATIONS (DISBURSEMENTS)

THE BOARD DISBURSED THE SUM OF \$147,386.32 ON OCTOBER 19, 2007 TO PAY MUNROS' 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$48,298.14 ON OCTOBER 19, 2007 TO PAY STEWARD CAPITAL'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$21,556.00 ON OCTOBER 19, 2007 TO PAY ALPHA PARTNER'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$40,895.08 ON OCTOBER 22, 2007 TO PAY INCOME, RESEARCH & MANAGEMENT'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$10,949.00 ON OCTOBER 22, 2007 TO PAY PAYDEN & RYGEL'S SEPTEMBER, 2007 FEES (ACCOUNT 1612)

THE BOARD DISBURSED THE SUM OF \$17,880.00 ON OCTOBER 22, 2007 TO PAY PAYDEN & RYGEL'S SEPTEMBER, 2007 FEES (ACCOUNT 1613)

THE BOARD DISBURSED THE SUM OF \$72,153.00 ON OCTOBER 22, 2007 TO PAY TRANSAMERICA'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$324,849.42 ON OCTOBER 23, 2007 TO REIMBURSE THE GENERAL FUND – REFUND LIST NUMBER 3258

THE BOARD DISBURSED THE SUM OF \$8,586.55 ON OCTOBER 23, 2007 TO PAY RHUMBLINE'S 2007 THIRD QUARTER FEES (RUSSELL 1000)

THE BOARD DISBURSED THE SUM OF \$6,953.32 ON OCTOBER 23, 2007 TO PAY RHUMBLINE'S 2007 THIRD QUARTER FEES (RUSSELL 2000)

THE BOARD DISBURSED THE SUM OF \$23,880.37 ON OCTOBER 23, 2007 TO PAY RHUMBLINE'S 2007 THIRD QUARTER FEES (MID-CAP)

THE BOARD DISBURSED THE SUM OF \$8,507.00 ON OCTOBER 24, 2007 TO PAY HOWARD & HOWARD'S SEPTEMBER, 2007 FEES – GSC PARTNERS

THE BOARD DISBURSED THE SUM OF \$68,012.61 ON OCTOBER 24, 2007 TO PAY PENN CAPITAL'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$15,000.00 ON OCTOBER 25, 2007 TO PAY NORTH POINT ADVISORS – PROVIDENT DUE DILIGENCE

CONFIRMATIONS (DISBURSEMENTS)

THE BOARD DISBURSED THE SUM OF \$2,158.04 ON OCTOBER 26, 2007 TO REIMBURSE THE GENERAL FUND – CHECK WRITE ADMINISTRATIVE EXPENSES

THE BOARD DISBURSED THE SUM OF \$41,113.81 ON OCTOBER 26, 2007 TO PAY MAYFIELD GENTRY – MICHIGAN MUTUAL CAPITAL IMPROVEMENTS

THE BOARD DISBURSED THE SUM OF \$778,057.32 ON OCTOBER 26, 2007 TO PAY MAYFIELD GENTRY – PFRS DUBLIN CORPORATION CAPITAL IMPROVEMENTS

THE BOARD DISBURSED THE SUM OF \$24,376.48 ON OCTOBER 26, 2007 TO REIMBURSE THE GENERAL FUND – OCTOBER, 2007 GRS STAFF WAGES

THE BOARD DISBURSED THE SUM OF \$12,913.64 ON OCTOBER 26, 2007 TO PAY LEGAL COUNSEL'S (RONALD ZAJAC) OCTOBER, 2007 LEGAL FEES

THE BOARD DISBURSED THE SUM OF \$16,091,048.10 ON OCTOBER 26, 2007 TO REIMBURSE FIRST INDEPENDENCE BANK – RETIRED PAYROLL – OCTOBER, 2007 DIRECT DEPOSIT

THE BOARD DISBURSED THE SUM OF \$255,371.76 ON OCTOBER 29, 2007 TO PAY MAYFIELD GENTRY'S ASSET MANAGEMENT FEES FOR OCTOBER, 2007

THE BOARD DISBURSED THE SUM OF \$11,250.00 ON OCTOBER 29, 2007 TO PAY TOWNSEND'S OCTOBER, 2007 FEES

TOTAL: \$18,154,253.61

CONFIRMATIONS (RECEIPTS)

THE BOARD RECEIVED THE SUM OF \$57,510.00 ON OCTOBER 17, 2007 FROM THE SHEFFIELD

THE BOARD RECEIVED THE SUM OF \$210,000.00 ON OCTOBER 18, 2007 FROM MMA-BANK OF AMERICA – ONE YEAR CREDIT ENHANCEMENT FEE

THE BOARD RECEIVED THE SUM OF \$39,583.34 ON OCTOBER 18, 2007 FROM HIGHPOINT OF ROMEOVILLE

THE BOARD RECEIVED THE SUM OF \$99,276.34 ON OCTOBER 19, 2007 FROM THE GENERAL FUND – WEEKLY ANNUITY (16/08)

CONFIRMATIONS (RECEIPTS)

THE BOARD RECEIVED THE SUM OF \$1,182,347.54 ON OCTOBER 19, 2007 FROM MAYFIELD GENTRY – SEPTEMBER, 2007 REMITTANCE

THE BOARD RECEIVED THE SUM OF \$15,000.00 ON OCTOBER 19, 2007 FROM FINCH ASSET MANAGEMENT – DUE DILIGENCE FEE

THE BOARD RECEIVED THE SUM OF \$191,780.00 ON OCTOBER 23, 2007 FROM LIGHT STONE VALUE PLUS REIT – 2007 SECOND QUARTER DISTRIBUTION

THE BOARD RECEIVED THE SUM OF \$15,000.00 ON OCTOBER 25, 2007 FROM THE PROVIDENT GROUP – DUE DILIGENCE

THE BOARD RECEIVED THE SUM OF \$289,794.95 ON OCTOBER 25, 2007 FROM THE GENERAL FUND – WEEKLY ANNUITY (17/08)

THE BOARD RECEIVED THE SUM OF \$423.50 ON OCTOBER 18, 2007 FROM ABEL NOSER – SEPTEMBER, 2007 REMITTANCE

THE BOARD RECEIVED THE SUM OF \$75.00 ON OCTOBER 18, 2007 FROM TINSLEY, HALL, FELDER & WOOD – EXPRESS MAIL FEE

THE BOARD RECEIVED THE SUM OF \$50.00 ON OCTOBER 18, 2007 FROM FRANK ENGLISH – LAP-TOP COMPUTER PURCHASE

THE BOARD RECEIVED THE SUM OF \$16,000.00 ON OCTOBER 18, 2007 FROM LINDA BAKER – RETURNED REFUND – LIST NUMBER 3254

TOTAL: \$2,059,330.67

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

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 # 3259, IN THE AMOUNT OF \$1,064,945.68, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

REFUNDS OF ACCUMULATED CONTRIBUTIONS

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

BILL PAYMENT REQUESTS

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

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

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

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

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

ADP, INC. – OCTOBER 26, 2007 - \$106.33 – POLICE AND FIRE PORTION OF
\$212.65 – SUPPLIES

ADP, INC. – OCTOBER 19, 2007 - \$103.87 – POLICE AND FIRE PORTION OF
\$207.73 – SUPPLIES

ADP, INC. – OCTOBER 12, 2007 - \$96.53 – POLICE AND FIRE PORTION OF
\$193.06 – SUPPLIES

ADP, INC. – OCTOBER 26, 2007 - \$58.97 – POLICE AND FIRE PORTION OF
\$117.94 – SUPPLIES

BLACKROCK – OCTOBER 11, 2007 - \$18,175.00 – 2007 THIRD QUARTER FEES

CLARK HILL – OCTOBER 24, 2007 - \$36,942.80 – LEGAL FEES

COMERICA – OCTOBER 3, 2007 - \$62.50 – 2007 THIRD QUARTER FEES

BILL PAYMENT REQUESTS

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

DAVIDSON, F. LOGAN – OCTOBER 23, 2007 - \$4,679.00 – POLICE AND FIRE PORTION OF \$9,358.00 – LEGAL FEES FOR THE PERIOD JANUARY 1, 2006 THROUGH SEPTEMBER 30, 2007 – DRS HOLDINGS, INC.

DAVIDSON, F. LOGAN – OCTOBER 31, 2007 - \$1,150.00 – LEGAL FEES – DRS HOLDINGS, INC.

DELL MARKETING – OCTOBER 22, 2007 - \$2,798.10 – POLICE AND FIRE PORTION OF \$5,596.20 – SUPPLIES

DIMENSIONAL FUND ADVISORS – OCTOBER 22, 2007 - \$170,213.68 – 2007 THIRD QUARTER FEES

EARNEST PARTNERS – OCTOBER 17, 2007 - \$67,473.72 – 2007 THIRD QUARTER FEES

GABRIEL, ROEDER, SMITH & COMPANY – OCTOBER 21, 2007 - \$400.00 – EDRO FEES

GLAZER, MARK – OCTOBER 3, 2007 - \$3,755.00 – DRRB OF CANDICE PETERS

GRAPHIC SCIENCES – OCTOBER 26, 2007 - \$2,594.33 – POLICE AND FIRE PORTION OF \$5,188.66 – SUPPLIES

HGK ASSET MANAGEMENT – OCTOBER 30, 2007 - \$5,717.97 – PERIOD ENDING SEPTEMBER 30, 2007

IT STAFF – OCTOBER 30, 2007 - \$57,157.28 – POLICE AND FIRE PORTION OF \$120,249.53 – COMPUTER PROGRAMMER FEES FOR OCTOBER, 2007

KENNEDY CAPITAL – OCTOBER 25, 2007 - \$584,074.00 – 2007 THIRD QUARTER FEES

MILESTONE REALTY SERVICES, INC. – OCTOBER 26, 2007 - \$15,000.00 – POLICE AND FIRE PORTION OF \$30,000.00 – 7850 E. JEFFERSON

NORTH POINTE CAPITAL – OCTOBER 24, 2007 - \$135,835.10 – 2007 THIRD QUARTER FEES

BILL PAYMENT REQUESTS

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

O'NEAL, REGINALD (MEDICAL DIRECTOR) – OCTOBER 30, 2007 -
\$3,360.00 – EXAMINATION FEES

OPPENHEIMER CAPITAL – OCTOBER 18, 2007 - \$187,473.66 – 2007 THIRD
QUARTER FEES

PEERNET, INC. – OCTOBER 24, 2007 - \$2,342.20 – POLICE AND FIRE PORTION
OF \$4,684.40 – TELEPHONE AND E-MAIL SUPPORT

PLANTE & MORAN – OCTOBER 23, 2007 - \$6,100.00 – POLICE AND FIRE
PORTION OF \$12,200.00 – AUDITING SERVICES RENDERED OCTOBER 6, 2007
OCTOBER 19, 2007

RETIREMENT SYSTEM ACCOUNTING STAFF – OCTOBER 30, 2007 - \$5,000.00 –
POLICE AND FIRE PORTION OF \$10,000.00 – POSTAGE REPLENISHMENT

TCW – OCTOBER 13, 2007 - \$84,767.60 – 2007 THIRD QUARTER FEES

XJJ COMPANY – OCTOBER 30, 2007 - \$23,999.33 – POLICE AND FIRE
PORTION OF \$47,998.66 – EMPLOYEE PAYROLL FOR THE PERIOD SEPTEMBER
24, 2007 THROUGH OCTOBER 19, 2007

ZONES – OCTOBER 9, 2007 - \$1,137.63 – POLICE AND FIRE PORTION OF
\$2,275.26 – PRINTERS

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

THE REQUEST OF CHARLIE PRITCHETT

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

WHEREAS, CHARLIE PRITCHETT HAS PRESENTED THE BOARD WITH AN
OCTOBER 24, 2007 REQUEST TO RECEIVE A REFUND OF THE MILITARY
SERVICE CREDIT HE PURCHASED, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF MR. PRITCHETT BE APPROVED:

THE REQUEST OF CHARLIE PRITCHETT

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

THE REQUEST OF MARION WELLS

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

WHEREAS, MARION WELLS HAS PRESENTED THE BOARD WITH AN OCTOBER 27, 2007 REQUEST TO RECEIVE A REFUND OF THE MILITARY SERVICE CREDIT HE PURCHASED, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF MR. WELLS BE APPROVED:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

THE REQUEST OF RICHARD LIS

BY MR. ORZECH – SUPPORTED BY MR. PEGG

WHEREAS, RICHARD LIS HAS PRESENTED THE BOARD WITH AN OCTOBER 30, 2007 REQUEST TO RESCIND HIS JUNE 12, 2007 DUTY DISABILITY RETIREMENT APPLICATION, THEREFORE BE IT

RESOLVED, THAT THE BOARD HEREBY RESCINDS ITS OCTOBER 18, 2007 MOTION APPROVING MR. LIS' APPLICATION FOR DUTY DISABILITY RETIREMENT:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

PENSIONS & INVESTMENTS

BY MR. ORZECH – SUPPORTED BY MS. FREEMAN

PENSIONS & INVESTMENTS

WHEREAS, Pensions & Investments magazine has requested certain information with respect to the assets of the System as of September 30, 2007 for the purpose of the publication of its annual list of the 1,000 largest pension plans in the United States, and

WHEREAS, the Board has discussed this matter with staff and staff is of the opinion that no confidential or proprietary information is being requested, and

WHEREAS, the Board has provided this information to Pensions & Investments for this purpose in the past, therefore be it

RESOLVED, that staff be directed to timely complete the information request of Pensions & Investments:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

DISABILITY RETIREMENT REVIEW BOARD OF CANDICE PETERS

CHAIRMAN BEST DIRECTED THAT ARBITRATOR MARK GLAZER'S OCTOBER 3, 2007 DRRB OPINION WHICH AWARDS CANDICE PETERS DUTY DISABILITY RETIREMENT BENEFITS BE MADE A MATTER OF RECORD.

TRUSTEE STEWART RE-JOINED THE MEETING.

TRUSTEE TALABI AND SPECIAL COUNSEL JOE TURNER ENTERED THE MEETING.

THE REQUEST OF WILLIAM SHELL

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

WHEREAS, WILLIAM SHELL RETIRED EFFECTIVE JUNE 1, 1987, AND

WHEREAS, MR. SHELL REQUESTS TO PURCHASE MILITARY TIME AND INCREASE OF PENSION BENEFITS RELYING UPON AMENDMENTS SUBSEQUENT TO HIS RETIREMENT WHICH WERE NOT RETROACTIVE, AND

THE REQUEST OF WILLIAM SHELL

WHEREAS, THE BOARD HAS NO AUTHORITY TO GRANT MR. SHELL'S REQUEST, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF WILLIAM SHELL IS DENIED, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MR. SHELL:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg, Stewart, Talabi
and Chairman Best – 7

Nays – None

TRUSTEES MILTON AND MOORE ENTERED THE MEETING.

TRUSTEE BEASLEY ENTERED THE MEETING.

S & G CAPITAL

LOU VOGT OF BANYAN REALTY MANAGEMENT JOINED THE BOARD VIA PHONE CONFERENCE IN LISTENING TO DERRON SANDERS AND TWO (2) ASSOCIATES DISCUSS THE STATUS OF S & G CAPITAL.

THE BOARD THEN EXCUSED MR. SANDERS AND HIS ASSOCIATES.

BANYAN REALTY MANAGEMENT

MR. VOGT ALSO DISCUSSED TRANS-CAPITAL AND THE MCRAE GROUP OF COMPANIES WITH THE BOARD.

TRUSTEES BANDEMER AND PEGG TEMPORARILY EXCUSED THEMSELVES.

MCRAE GROUP OF COMPANIES
(MANN 1100) PUD, DALLAS, TEXAS
UP TO \$15,600,000.00 LIMITED PARTNER INTEREST

BY MR. STEWART – SUPPORTED BY MR. MILTON

MCRAE GROUP OF COMPANIES
(MANN 1100) PUD, DALLAS, TEXAS
UP TO \$15,600,000.00 LIMITED PARTNER INTEREST

Whereas, The Board has been requested to execute a Limited Partnership Agreement of NEAL and FM 548-1076 (MANN 1100), LLLP dated November 1, 2007 relative to the foregoing transaction, and

Whereas, The execution of said document has been recommended by the Board's advisor, Banyan Realty Management, and the Board's Special Legal Counsel, F. Logan Davidson, P.C., and

Whereas, The execution of said document has been reviewed and approved as to form by the Board's Legal Counsel, and the execution of said document is consistent with prior action of the Board, and

Whereas, In connection with said investment, the Board is being requested to wire-transfer \$7,600,000.00 to NEAL and FM 548-1076 (MANN 1100), LLLP as the Board's initial capital contribution, Therefore Be It

Resolved, That said document be executed by two (2) authorized signatories on behalf of the Board, and be it further

Resolved, That the sum of \$7,600,000.00 be wire-transferred consistent with the Board's established procedures to NEAL and FM 548-1076 (MANN 1100), LLLP as the Board's initial capital contribution under the limited partnership agreement subject to the written approval of the Board's Special Legal Counsel, General Counsel and Executive Secretary, and be it further

Resolved, That the executed original document be forwarded to the appropriate party, and be it further

Resolved, That the Accounting Division of the Retirement System retain copies of said executed original document:

Yeas – Trustees Beasley, Freeman, Milton, Moore, Orzech, Stewart,
Talabi and Chairman Best – 8

Nays – None

TRUSTEES BANDEMER AND PEGG RE-JOINED THE MEETING.

SMITH BARNEY

BRUCE BALLARD AND AN ASSOCIATE APPEARED BEFORE THE BOARD AND DISCUSSED THIRD QUARTER 2007 PERFORMANCE MEASUREMENT. THE BOARD THEN EXCUSED MR. BALLARD AND HIS ASSOCIATE.

NUTMEG SECURITIES

PATRICK WHITE AND THOMAS DOYLE APPEARED BEFORE THE BOARD, DISCUSSED SECURITIES BROKERAGE AND THEN EXCUSED THEMSELVES.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING INTERCONTINENTAL, ICG-GM FINANCIAL, INC., 7850 EAST JEFFERSON, THE MCRAE GROUP OF COMPANIES, SCOTT AND SCOTT, EDWARDS VERSUS REINHOLD, WITHERSPOON VERSUS WITHERSPOON, 2006 TAX RETURNS AND PFRS ROMULUS CORP.

INTERCONTINENTAL/U. S. REAL ESTATE INVESTMENT FUND, LLC

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 29, 2007 LETTER FROM INTERCONTINENTAL REQUESTING THE BOARD TO EITHER AGREE OR NOT AGREE TO WAIVE THE RIGHT OF 90-DAY NOTICE, RE: THE DIVIDEND RE-INVESTMENT PLAN, AND TO EITHER ELECT OR NOT ELECT TO RE-INVEST CASH DISTRIBUTIONS, THEREFORE BE IT

RESOLVED, THAT THE BOARD AGREES TO WAIVE THE 90-DAY NOTICE AND DOES NOT ELECT TO RE-INVEST FUTURE CASH DISTRIBUTIONS, AND BE IT FURTHER

RESOLVED, THAT THE DOCUMENT BE EXECUTED ON BEHALF OF THE SYSTEM AND RETURNED TO INTERCONTINENTAL, AND BE IT FURTHER

RESOLVED, THAT THE ACCOUNTING DIVISION OF THE RETIREMENT RETAIN A COPY OF SAID EXECUTED DOCUMENT:

Yeas – Trustees Bandemer, Beasley, Freeman, Milton, Moore,
Orzech, Pegg, Stewart, Talabi and Chairman Best – 10

INTERCONTINENTAL/U. S. REAL ESTATE INVESTMENT FUND, LLC

Nays – None

ICG LEASEBACK FUND I, LLC
UP TO \$22,000,000.00 INVESTOR MEMBER INTEREST

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

Whereas, The Board has been requested to execute an October 31, 2007 First Amendment to Operating Agreement of ICG Leaseback Fund I, LLC relative to the foregoing transaction, and

Whereas, The execution of said document has been recommended by the Board's advisor, Banyan Realty Management, and the Board's Special Legal Counsel, F. Logan Davidson, P.C., and

Whereas, The execution of said document has been reviewed and approved as to form by the Board's Legal Counsel, and the execution of said document is consistent with prior action of the Board, and

Whereas, In connection with said investment, the Board is being requested to wire-transfer \$19,945,000.00 to ICG Leaseback Fund I, LLC as the Board's contribution for the balance of the purchase price under the purchase agreement, and

Whereas, The wire-transfer of said funds is subject to the receipt and approval of all closing documents by the Board's Real Estate Advisor, Special Legal Counsel and General Counsel, including a Closing Statement and Certification of Application of Funds and Affidavits(s),
Therefore Be It

Resolved, That said document be executed by two (2) authorized signatories on behalf of the Board, and be it further

Resolved, That the sum of \$19,945,000.00 be wire-transferred to ICG Leaseback Fund I, LLC as the Board's contribution for the balance of the purchase price under the purchase agreement subject to the written approval of the Board's Special Legal Counsel, General Counsel and Executive Secretary of the disbursement request and the above-referenced closing documents, and be it further

ICG LEASEBACK FUND I, LLC
UP TO \$22,000,000.00 INVESTOR MEMBER INTEREST

Resolved, That the executed original document be forwarded to the appropriate party, and be it further

Resolved, That the Retirement System Accounting staff retain copies of said executed original document:

Yeas – Trustees Bandemer, Beasley, Freeman, Milton, Moore,
Pegg, Stewart and Talabi – 8

Nays – Trustees Orzech and Chairman Best – 2

WSB FINANCIAL GROUP, INC.

BY MR. ORZECZ – SUPPORTED BY MR. BANDEMER

WHEREAS, THE SYSTEM HAS INCURRED APPROXIMATELY \$442,000 IN LOSSES FROM PURCHASES OF WSB FINANCIAL GROUP, INC. STOCK AND

WHEREAS, BERNSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP HAS REPORTED TO THE BOARD REGARDING THEIR ANALYSIS OF THE MERITS OF A CASE AGAINST WBS FINANCIAL GROUP, INC., AND

WHEREAS, BERNSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP HAS INQUIRED WHETHER THE RETIREMENT SYSTEM IS INTERESTED IN SEEKING TO BE A LEAD PLAINTIFF IN THIS LITIGATION, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, AND

WHEREAS, THE BOARD DEEMS IT APPROPRIATE TO SEEK TO BE A LEAD PLAINTIFF IN THIS MATTER TO RECOVER LOSSES INCURRED BY THE SYSTEM, THEREFORE BE IT

RESOLVED, THAT THE BOARD SEEK TO BE NAMED LEAD PLAINTIFF REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT BERNSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP BE RETAINED TO REPRESENT THE SYSTEM REGARDING THIS MATTER, SUBJECT TO AGREEMENT REGARDING PRIOR TERMS OF RETENTION IN CLASS ACTION MATTERS, AND BE IT FURTHER

WSB FINANCIAL GROUP, INC.

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO
BERSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP:

Yeas – Trustees Bandemer, Beasley, Freeman, Milton, Moore, Orzech, Pegg,
Stewart, Talabi and Chairman Best – 10

Nays – None

TRUSTEE BANDEMER TEMPORARILY EXCUSED HIMSELF.

7850 EAST JEFFERSON

BY MR. ORZECH – SUPPORTED BY MR. PEGG

WHEREAS, THE BOARD ADOPTED A SEPTEMBER 6, 2007 RESOLUTION TO
ACQUIRE THE 7850 EAST JEFFERSON PROPERTY, AND

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 30, 2007
LETTER/REPORT FROM MILESTONE REALTY SERVICES, INC., AND

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

RESOLVED, THAT THE PURCHASE BE COMPLETED CONSISTENT WITH
PREVIOUSLY APPROVED DOCUMENTS, AND BE IT FURTHER

RESOLVED, THAT THE PURCHASE AMOUNT (PLUS RELATED EXPENSES
ESTIMATED UP TO \$2,000,000.00) BE WIRE-TRANSFERRED SUBJECT TO
APPROVAL OF ALL DOCUMENTS BY THE BOARD'S SPECIAL LEGAL COUNSEL,
F. LOGAN DAVIDSON, P.C., GENERAL COUNSEL AND EXECUTIVE
SECRETARY, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL
LEGAL COUNSEL, F. LOGAN DAVIDSON, P.C. AND MILESTONE REALTY
SERVICES, INC.:

Yeas – Trustees Beasley, Freeman, Milton, Moore, Orzech,
Pegg, Talabi and Chairman Best – 8

Nays – Trustee Stewart – 1

TRUSTEE BANDEMER RE-JOINED THE MEETING.

CLASS ACTION LITIGATION SPECIAL LEGAL COUNSEL

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD HAS ADDED THE LAW FIRM OF SCOTT AND SCOTT TO ITS APPROVED CLASS ACTION LITIGATION SPECIAL LEGAL COUNSEL LIST, AND

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 8, 2007 REQUEST FROM SCOTT AND SCOTT FOR BOARD APPROVAL TO OBTAIN CUSTODIAL BANK TRANSMISSION OF ELECTRONIC INFORMATION, AND

WHEREAS, SAID REQUEST LETTER INCLUDES A CONFIDENTIALITY AGREEMENT BY SCOTT AND SCOTT REGARDING INFORMATION REGARDING THE RETIREMENT SYSTEM'S SECURITIES, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES THE OCTOBER 8, 2007 REQUEST OF SCOTT AND SCOTT, AND BE IT FURTHER

RESOLVED, THAT THE BOARD'S EXECUTIVE SECRETARY, INVESTMENT ANALYST AND THE BANK OF NEW YORK (RETIREMENT SYSTEM CUSTODIAL BANK) EFFECTUATE THE ACCESS OF THE REQUEST, ET AL, INFORMATION FOR SCOTT AND SCOTT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SCOTT AND SCOTT (ATTENTION: DAVID R. SCOTT) AND THE BOARD'S CUSTODIAL BANK, THE BANK OF NEW YORK (ATTENTION: TOM BARRETT):

Yeas – Trustees Bandemer, Beasley, Freeman, Milton, Moore, Orzech, Pegg, Stewart, Talabi and Chairman Best – 10

Nays – None

PFRS ROMULUS CORP.
2006 PARTNERSHIP TAX RETURN FOR ROMULUS DEEP DISPOSAL LIMITED PARTNERSHIP

THE BOARD WAS MADE AWARE OF THE EXECUTION OF THE 2006 U.S. PARTNERSHIP INCOME TAX RETURN DATED NOVEMBER 1, 2007 FOR ROMULUS DEEP DISPOSAL LIMITED PARTNERSHIP BY AN OFFICER OF THE

PFRS ROMULUS CORP.
2006 PARTNERSHIP TAX RETURN FOR ROMULUS DEEP DISPOSAL LIMITED
PARTNERSHIP

CORPORATION AS THE PARTNER OF ROMULUS DEEP DISPOSAL LIMITED
PARTNERSHIP.

2006 TAX RETURNS

THE BOARD WAS MADE AWARE OF THE EXECUTION OF THE FOLLOWING
2006 TAX RETURNS DATED NOVEMBER 1, 2007 BY AN OFFICER OF THE
CORPORATION:

3151 BEHREND DRIVE CORPORATION

2006 AMENDED U.S. RETURN OF ORGANIZATION EXEMPT FROM INCOME
TAX OF PFRS 3151 BEHREND DRIVE CORPORATION

2006 ARIZONA EXEMPT ORGANIZATION ANNUAL INFORMATION RETURN OF
PFRS 3151 BEHREND DRIVE CORPORATION

3202 BEHREND DRIVE CORPORATION

2006 U.S. RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX OF PFRS
3202 BEHREND DRIVE CORPORATION

3202 BEHREND DRIVE CORPORATION

2006 ARIZONA EXEMPT ORGANIZATION ANNUAL INFORMATION RETURN OF
PFRS 3202 BEHREND DRIVE CORPORATION

PFRS AVANTI CORPORATION

2006 OKLAHOMA FINAL RETURN OF ORGANIZATION EXEMPT FROM
INCOME TAX OF PFRS AVANTI CORPORATION

TRUSTEE TALABI EXCUSED HERSELF.

EDWARDS VERSUS REINHOLD
WAYNE COUNTY CASE 374-000778-DM

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD IS IN RECEIPT OF A MAY 15, 1975 JUDGMENT OF DIVORCE WHEREIN BY LACK OF ANY REFERENCE TO PENSION BENEFITS, MARCUS EDWARDS IS, IN EFFECT, AWARDED 100% OF THE DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN BENEFITS HE HAS; AND WHEREAS THE BOARD HAS BEEN INFORMED THAT PARTICIPANT RETIRED EFFECTIVE AUGUST 12, 1995, AND WHEREAS PARTICIPANT'S DATE OF BIRTH IS DECEMBER 3, 1946, AND PARTICIPANT HAD ATTAINED 26 YEARS, 00 MONTHS AND 28 DAYS OF SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN, AND ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN, AND

WHEREAS, SAID MATTER HAS BEEN DISCUSSED WITH LEGAL COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID COURT ORDER ARE CONSISTENT WITH THE PROVISIONS OF THE RETIREMENT SYSTEM AND APPLICABLE LAW, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY 100% OF PENSION BENEFITS TO PARTICIPANT, A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND A COPY OF THIS RESOLUTION BE FORWARDED TO JANET REINHOLD AND MARCUS EDWARDS:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

WITHERSPOON VERSUS WITHERSPOON
WAYNE COUNTY CASE #00-033683-DM

BY MR. MOORE – SUPPORTED BY MR. PEGG

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 24, 2007 DOMESTIC RELATIONS ORDER WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF DIVORCE WHEREIN SHEILA WITHERSPOON IS AWARDED 100% OF THE DEFINED BENEFIT PLAN BENEFITS OF DAVID WITHERSPOON, AND WHEREAS, THE BOARD HAS BEEN INFORMED THAT PARTICIPANT RETIRED EFFECTIVE FEBRUARY 16, 2000, AND WHEREAS PARTICIPANT'S DATE OF BIRTH IS NOVEMBER 9, 1958 AND PARTICIPANT HAD ATTAINED 16 YEARS, 05 MONTHS AND 17 DAYS OF SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN BECAUSE ALL AMOUNTS WERE PREVIOUSLY WITHDRAWN FROM THE DEFINED CONTRIBUTION PLAN, BUT ALTERNATE PAYEE IS ENTITLED TO CLAIM 100% OF PARTICIPANT'S DEFINED BENEFIT PLAN, AND

WHEREAS, THE EARLIEST DATE THAT PAYMENTS FROM THE DEFINED BENEFIT PLAN CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE IS IMMEDIATELY, AND

WHEREAS, SAID MATTER HAS BEEN DISCUSSED WITH LEGAL COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID COURT ORDER ARE CONSISTENT WITH THE PROVISIONS OF THE RETIREMENT SYSTEM AND APPLICABLE LAW, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER, A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND A COPY OF THIS RESOLUTION BE FORWARDED TO SHEILA WITHERSPOON AND DAVID WITHERSPOON:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECZ, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

MMA

PAUL BERNARD APPEARED BEFORE THE BOARD AND DISCUSSED A LETTER OF CREDIT MODIFICATION FOR WACHOVIA'S PERMANENT RE-PURCHASE FACILITY.

THE BOARD THEN EXCUSED MR. BERNARD.

RDD INVESTMENT CORPORATION/CLOSED SESSION

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

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, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

The Board entered into Closed Session at 1:20 P.M.

DURING CLOSED SESSION, SPECIAL LEGAL COUNSEL JOE TURNER PRESENTED THE BOARD WITH A COPY OF AN OCTOBER 31, 2007 COMMUNICATION REGARDING THE STATUS OF THE RDD DEEP WELL.

OPEN SESSION

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

The Board returned to Open Session at 1:55 P.M.

ENVIRONMENTAL DISPOSAL SERVICES

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

WHEREAS, The Board of Trustees of the Police and Fire Retirement System of the City of Detroit, (the “Board”) was the lender of an approximately \$40,000,000 loan to Environmental Disposal Services (“EDS”), Romulus Deep Disposal Limited Partnership (“Romulus”) and Remus Joint Venture Partner (“Remus”) (collectively EDS, Romulus and Remus shall be referred hereinafter as, the “Borrowers”) and such loan proceeds funded, inter alia, the land acquisition, construction and operation of a deep disposal well wastewater treatment facility located in Romulus Michigan (the “Facility”), and

WHEREAS, On November 9, 2006, the Borrowers, while in material default under the loan documents, relinquished and assigned to RDD Investment Corp. (RDD), the Board’s designee, all of Borrowers’ right, title and interest in the facility, including, but not limited to the underground injection control (UIC) permits held by EDS (subject to final approval by the Environmental Protection Agency [EPA]), and

WHEREAS, the Board promptly notified the EPA of the Board’s interest in the Facility and the Board’s subsequent agreement to sell the Facility, inclusive of the UIC permits, to Environmental GEO Technologies, LLC (EGT) and requested the EPA’s approval of EGT’s application to transfer the UIC permits, and

WHEREAS, On or about February 8, 2007 RDD, the System and EGT entered into a Transfer Agreement contemplating the transfer of the Facility to EGT upon the approval by the regulatory agencies of the transfer of the permits and licenses (including the UIC permits) to EGT, and at all times thereafter RDD and EGT, individually and collectively, vigorously pursued the appropriate administrative actions to effectuate the transfer of the permits and licenses (including the UIC permits), including but not limited to engaging in several meetings with the EPA and Michigan Department of Environmental Quality (MDEQ), and

WHEREAS, At all times following execution of the Transfer Agreement the Board, through RDD, diligently undertook efforts to correct notice of violations issued by EPA and MDEQ regarding the Facility and as such the Board, through RDD, incurred substantial expenses related to the Facility in order to facilitate a transfer of the licenses and permits and protect the Board’s investment, and

ENVIRONMENTAL DISPOSAL SERVICES

WHEREAS, Notwithstanding the foregoing, on April 12, 2007, the EPA issued to RDD and EGT a notice of intent to terminate the UIC permits (Notice of Intent to Terminate) which was based solely on numerous violations committed by EDS during the brief period EDS operated the Facility, and

WHEREAS, Subsequent to the issuance of the Notice of Intent to Terminate and notwithstanding the continued vigorous efforts of RDD, the System and EGT to defend the termination proceeding and work out a stipulated order for the transfer of the UIC permits, the EPA refused to meet with any representatives of RDD, the Board or EGT, and

WHEREAS, RDD, the Board and EGT each appeared at the EPA public hearing and submitted timely public comments during the EPA's administrative termination proceeding, thus preserving a right to appeal an adverse final determination, and

WHEREAS, On October 22, 2007, the EPA issued its final determination terminating the UIC permits and served upon RDD, the Board and EGT a copy of the final determination, and

WHEREAS, pursuant to the EPA's administrative rules, RDD and the Board must file an appeal with the EPA Environmental Appeals Board (EAB) on or before November 23, 2007, and

WHEREAS, Joe Turner, of Clark Hill PLC ("Special Counsel") and, Ronald Zajac, the Board's General Counsel, each on behalf of the Transition Team, in closed session, advised the Board, inter alia, relative to the appropriate legal course of action to preserve the Board's interest in the Facility, and

WHEREAS, the Board has considered this matter in open session, and
THEREFORE BE IT

RESOLVED, that, in light of the foregoing, the Board, on behalf of RDD, RDD Operating LLC ("RDD LLC") and the System (collectively RDD, RDD LLC and the System, hereinafter shall be referred to as, "RDD"), hereby approves an appeal, to the EAB, of the EPA's decision to terminate the UIC permits, and be it further

ENVIRONMENTAL DISPOSAL SERVICES

RESOLVED, the Board hereby approves the continued engagement of Clark Hill PLC, as Special Counsel, to effectuate RDD's appeal as set forth above, and be it further

RESOLVED, that a copy of this resolution be forwarded to EGT and Special Counsel:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG AND STEWART – 8

NAYS – CHAIRMAN BEST – 1

TRUSTEE BANDEMER TEMPORARILY EXCUSED HIMSELF.

ENVIRONMENTAL DISPOSAL SERVICES

BY MR. MOORE – SUPPORTED BY MR. STEWART

WHEREAS, Previously the Police and Fire Retirement System of the City of Detroit (the "System"), RDD Investment Corp., and RDD Operations LLC (collectively, "RDD") intervened in the U.S. Sixth Circuit Court of Appeals case, Environmental GEO-Technologies, LLC v. United States Environmental Protection Agency, et al., No. 07-4041, which appealed the Environmental Protection Agency Appeals Board (EAB) decision confirming the EPA's decision to cease and desist processing the Environmental GEO Technologies, LLC (EGT) transfer application (the "EGT Action"), and

WHEREAS, On October 22, 2007, the EPA issued its final determination terminating the underground injection control (UIC) permits held by Environmental Disposal Services (EDS) with respect to the Romulus deep well disposal facility located in Romulus, Michigan, and

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the "Board") approved an appeal, to the EAB, of the EPA's termination of the UIC permits, thus rendering moot the need for RDD to continue in the EGT Action, and

WHEREAS, Joe Turner, of Clark Hill PLC ("Special Counsel") and, Ronald Zajac, the Board's General Counsel, each on behalf of the Transition Team, in closed session, advised the Board, and

ENVIRONMENTAL DISPOSAL SERVICES

WHEREAS, the Board has considered this matter in open session, and THEREFORE BE IT

RESOLVED, that, in light of the foregoing, the Board hereby approves RDD's withdrawal from the EGT Action, and be it further

RESOLVED, that Special Counsel is authorized to take the appropriate steps to effectuate RDD's withdrawal from the EGT Action, and be it further

RESOLVED, that a copy of this resolution be forwarded to EGT and Special Counsel:

YEAS – TRUSTEES BEASLEY, FREEMAN, MILTON, MOORE, ORZECH,
PEGG, STEWART AND CHAIRMAN BEST – 8

NAYS – NONE

TRUSTEE BANDEMER RE-JOINED THE MEETING.

MINOR CHILD BENEFITS PAYMENTS

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the "Board"), which has authority to administer the provisions of the Retirement System, previously approved a minor child's benefit payments policy, which in summary provides for survivor benefit payments, not exceeding \$5,000 annually to a minor child, may be paid to a parent or other person consistent with the Michigan Revised Probate Code, namely MCL 700.403 et seq., without having a conservatorship, and

WHEREAS, it has come to the attention of the Board that some survivor benefits otherwise payable to minor children exceed the \$5,000 annual payment limits, thus a parent or guardian will still be required to incur the expense of establishing a conservatorship through the respective probate court, and

MINOR CHILD BENEFITS PAYMENTS

WHEREAS, the intent of the Board was and remains to have the families of a minor child eligible to receive a survivor's benefit payment avoid the cost of probate proceedings, if possible, and

WHEREAS, in the interest of continuing the Board's intentions and policy of protecting an eligible recipient of minor child benefits from unnecessary probate court costs and conservatorship proceedings, the Board's General Counsel and Special Counsel have advised the Board of available options, and

WHEREAS, the Board has considered this matter, THEREFORE BE IT

RESOLVED, the Board's revised policy for disbursement of minor child benefits shall be as follows:

1. With respect to annual benefits, not exceeding \$5,000 each year, to a minor child, the Board at its sole discretion, may pay the minor child benefit to:
 - A. the minor child if he or she is married; or
 - B. an individual having care and custody of the minor child with whom the minor child resides; or
 - C. a guardian of the minor; or
 - D. a financial institution for deposit into a state or federally insured savings account in the sole name of the minor child with notice of the deposit to the minor child.

NOTE: If a conservator for the minor child is established due to other circumstances, the Board will decide if the payments are made to the conservator or if payments are made consistent with item 1 above.

2. With respect to annual benefits exceeding \$5,000 to a minor child:
 - A. if the annual benefits are more than \$7,500, the minor child's benefit payment shall be paid to the

MINOR CHILD BENEFITS PAYMENTS

conservator appointed by the appropriate probate court; or

- B. if the annual payments are between \$5,001 - \$7,500, the parent or guardian, at his or her sole discretion, may (i) establish a conservatorship through the appropriate probate court and the conservator will receive the annual payments or (ii) receive up to the \$5,000 annually consistent with the Board's policy, and with respect to the balance, approve the retention by the Board of any monthly payment

amounts in excess of \$416.66 (the "Excess Proceeds") and credit said amounts with interest (the actuarial rate of interest) for disbursement as follows:

- (1) to the minor child on or after the date the minor child reaches the age of majority; or
- (2) to the person designated in an order of the appropriate court, and

3. With Respect to Existing Files:

- A. If the conservatorship continues solely to receive the child's benefit from the Police and Fire Retirement System, such conservatorship may be discontinued by the appropriate party and the minor child's benefit will be paid to one of the parties indicated above in items 1 or 2.
- B. If the conservatorship continues to receive benefits in addition to benefits from the Police and Fire Retirement System, the Board will continue to pay the minor child's benefits to the conservatorship.

MINOR CHILD BENEFITS PAYMENTS

4. With respect to any extenuating circumstances based on the sole discretion of the Board regarding annual payments, not exceeding \$5,000, to a minor child, the minor child's benefit payments shall be paid to the conservator appointed by the appropriate probate court.
5. To the extent the parent or guardian elects to rescind the prior request and approval, a conservatorship must be established at the expense of the parent or guardian, and be it further

RESOLVED, that a copy of this resolution be forwarded to all parents, guardians or conservators of minor children eligible to receive minor child benefits, the Board's Advisor and the Board's Special Legal Counsel:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

NORTH POINT ADVISORS

ADRIAN ANDERSON DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING ROBECO, PARADIGM, SEIZERT, EDGAR LOMAX, BLACK EAGLE AND ORLEANS CAPITAL.

RHUMBLINE

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, the Board, by prior action, hired Independence and Wellington Management to manage mid-cap growth equities, and

WHEREAS, the Board, upon termination of the prior mid-cap growth manager, invested the funds in the mid-cap index account managed by Rhumblin, Therefore Be It

RHUMBLINE

RESOLVED, that the funding of Independence and Wellington Management be sourced from the Rhumbline mid-cap index account, and be it further

RESOLVED, that a copy of this resolution be forwarded to Rhumbline:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

CHURCHILL (“CHURCHILL”) MORTGAGE INVESTMENT, LLC
\$3,600,000.00 PROPOSED CONSTRUCTION LOAN
CYPRESS MEADOWS APARTMENTS (MISSISSIPPI)

BY MR. MOORE – SUPPORTED BY MR. ORZECH

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 30, 2007 INVESTMENT PROPOSAL BOOKLET FROM CHURCHILL MORTGAGE INVESTMENT, LLC WHICH INCLUDES AN APPARENT TYPOGRAPHICAL ERROR REFERRING THE LOCATION OF THE PROJECT IN DETROIT, MICHIGAN, AND

WHEREAS, THE BOARD’S UNDERSTANDING IS THAT THE PROPOSED CONSTRUCTION LOAN WILL BE STRUCTURED SIMILAR TO OTHER CONSTRUCTION LOAN DOCUMENTATION AND PROCEDURES INVOLVING KEITH GLOECKL WHO IS NOW WITH CHURCHILL, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO THE CONDITIONS OUTLINED IN THE OCTOBER 30, 2007 INVESTMENT PROPOSAL BOOKLET AND SUBJECT TO APPROVAL OF DOCUMENTATION BY ANY SPECIAL LEGAL COUNSEL SELECTED BY THE BOARD (WITH COSTS PAID BY CHURCHILL AND GENERAL COUNSEL), THE PROPOSED CONSTRUCTION LOAN IS HEREBY APPROVED, AND BE IT FURTHER

RESOLVED, THAT CHURCHILL COORDINATE THE COMPLETION OF THE INVESTMENT WITH THE BOARD’S GENERAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO CHURCHILL MORTGAGE INVESTMENT, LLC, ATTENTION: NICHOLAS H.

CHURCHILL (“CHURCHILL”) MORTGAGE INVESTMENT, LLC
\$3,600,000.00 PROPOSED CONSTRUCTION LOAN
CYPRESS MEADOWS APARTMENTS (MISSISSIPPI)

DEGEL AND KEITH J. GLOECKL, AND RETIREMENT SYSTEM ACCOUNTING
STAFF:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, SCOTT AND CHAIRMAN BEST – 9

NAYS – NONE

MMA REALTY CAPITAL
COLUMNS ON WETHERINGTON
TRELLISES APARTMENTS
FLORENCE, KENTUCKY

BY MR. MOORE – SUPPORTED BY MR. MILTON

WHEREAS, MMA REALTY CAPITAL HAS PRESENTED THE BOARD WITH A
NOVEMBER 1, 2007 COMMUNICATION WHEREIN MMA REALTY CAPITAL
REQUESTS THAT THE BOARD APPROVE THE REQUESTS WHICH ARE
REFERENCED BELOW RELATIVE TO THE ABOVE-CAPTIONED MATTER, AND

WHEREAS, THE BOARD HAS DISCUSSED SAID REQUESTS, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES SAID REQUESTS AND THE
APPROPRIATE DOCUMENTS BE EXECUTED, SUBJECT TO LEGAL COUNSEL
APPROVAL, ON BEHALF OF THE RETIREMENT SYSTEM:

REQUESTS:

RE-FINANCE EXISTING FIRST MORTGAGE ON COLUMNS ON
WETHERINGTON APARTMENTS AND TRELLISES APARTMENTS
WITH KEY BANK NATIONAL ASSOCIATION FOR A TOTAL
AMOUNT OF \$37.5 MILLION (ESTIMATED AT \$16 MILLION
FOR COLUMNS ON WETHERINGTON \$21,537,500.00 FOR
TRELLISES

PLACE A “SOFT SECOND” NON-FORECLOSABLE MORTGAGE
IN THE APPROXIMATE TOTAL AMOUNT OF \$13.95 MILLION
(\$8,728,081.00 FOR COLUMNS ON WETHERINGTON
AND \$5,227,799.00 FOR TRELLISES)

MMA REALTY CAPITAL
COLUMNS ON WETHERINGTON
TRELLISES APARTMENTS
FLORENCE, KENTUCKY

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, SCOTT AND CHAIRMAN BEST – 9

NAYS – NONE

MMA REALTY CAPITAL
LETTER OF CREDIT MODIFICATION
WACHOVIA PERMANENT RE-PURCHASE FACILITY

BY MR. ORZECH – SUPPORTED BY MS. FREEMAN

WHEREAS, MMA REALTY CAPITAL HAS PRESENTED THE BOARD WITH A
NOVEMBER 1, 2007 COMMUNICATION WHEREIN MMA REALTY CAPITAL
REQUESTS THAT THE BOARD APPROVE THE REQUEST FOR A LETTER OF CREDIT
MODIFICATION TO DECREASE THE LETTER OF CREDIT TO \$12,504,345.00 AND
\$2,722,500.00, AND

WHEREAS, THE BOARD HAS DISCUSSED SAID REQUEST, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO APPROVAL OF ALL TRANSACTION
DOCUMENTS BY THE BOARD'S LEGAL COUNSEL, THE BOARD HEREBY
APPROVES THE AFORESAID SAID REQUEST AND THE APPROPRIATE
DOCUMENTS BE EXECUTED, SUBJECT TO LEGAL COUNSEL APPROVAL, ON
BEHALF OF THE RETIREMENT SYSTEM:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, SCOTT AND CHAIRMAN BEST – 9

NAYS – NONE

TRANS-CAPITAL
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. ORZECH – SUPPORTED BY MR. STEWART

Whereas, The Board has had the foregoing investment proposal under
consideration, the basic and general proposed conditions of which are
set forth in previously submitted written materials presented to the Board

TRANS-CAPITAL
\$10,000,000.00 PROPOSED INVESTMENT

and discussed this date and at previous meetings, and to which certain modifications and additional requirements may have been added by the Board or advisors to the Board, per discussion between or with the Board members, and

Whereas, The Board has indicated its willingness to further consider making this proposed investment subject to certain additional terms and modifications of said proposal, which have already been identified by the Board of Trustees, and certain additional terms and modifications which will be required after Joseph Turner, the Board's Special Legal Counsel begins to prepare loan investment documents, and

Whereas, The Board's contingent approval is conditioned upon the Board's receipt of written acknowledgment from Trans-Capital that Trans-Capital has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein, and

Whereas, The Board's contingent approval is also conditioned upon the understanding that the proposed transaction does not contemplate unrelated Business Taxable Income (UBTI) to the Retirement System as Lender, and

Whereas, The Board has selected Joseph Turner as Special Legal Counsel regarding this proposed investment who may submit proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, Therefore Be It

Resolved, That subject to the provisions as stated in this resolution, the Board hereby conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by Trans-Capital and subject to approval of final documents by the Board of Trustees and General Counsel, and be it further

Resolved, That it be expressly understood by all parties that there is no obligation of the Board to make the investment unless final transaction documents are approved as to form and content by the Board and approved as to form by the Board's Legal Counsel and is executed by the Board, Trans-Capital, any Guarantors and other applicable parties, and

TRANS-CAPITAL

\$10,000,000.00 PROPOSED INVESTMENT

subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including legal fees and expenses being paid from an escrow account funded by Trans-Capital or entities other than the Board, and be it further

Resolved, That any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board, the Board's Special Legal Counsel and the Board's General Counsel, and be it further

Resolved, That arrangements be made for Trans-Capital to escrow funds with the Retirement System for payment of all costs and expenses, and be it further

Resolved, That the foregoing is also conditioned upon Trans-Capital paying all costs and expenses of the Board, including legal fees in document preparation even if this proposed investment is not completed or finalized due to Trans-Capital deciding to withdraw the proposal, refusing to execute final documents approved by the Board of Trustees, or for any other reason deciding not to proceed with the transaction, and be it further

Resolved, That a copy of this resolution be forwarded to Trans-Capital and Joseph Turner, the Board's Special Legal Counsel:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG AND STEWART – 8

NAYS – CHAIRMAN BEST – 1

ROBECO ("ROBECO") PRIVATE EQUITY FUND OF FUNDS
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. BEASLEY – SUPPORTED BY MR. MILTON

Whereas, The Board has had the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in previously submitted written materials presented to the Board and discussed this date and at previous meetings, and to which certain

ROBECO ("ROBECO") PRIVATE EQUITY FUND OF FUNDS
\$10,000,000.00 PROPOSED INVESTMENT

modifications and additional requirements may have been added by the Board or advisors to the Board, per discussion between or with the Board members, and

Whereas, The Board has indicated its willingness to further consider making this proposed investment subject to certain additional terms and modifications of said proposal, which have already been identified by the Board of Trustees, and certain additional terms and modifications which will be required after Special Legal Counsel begins to prepare loan investment documents, and

Whereas, The Board's contingent approval is conditioned upon the Board's receipt of written acknowledgment from Robeco that Robeco has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein, and

Whereas, The Board's contingent approval is also conditioned upon the understanding that the proposed transaction does not contemplate unrelated Business Taxable Income (UBTI) to the Retirement System as Lender, and

Whereas, The Board will be selecting Special Legal Counsel regarding this proposed investment who is likely to be submitting proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, Therefore Be It

Resolved, That subject to the provisions as stated in this resolution, the Board hereby conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by Robeco and subject to approval of final documents by the Board of Trustees, and be it further

Resolved, That it be expressly understood by all parties that there is no obligation of the Board to make the investment unless final

ROBECO ("ROBECO") PRIVATE EQUITY FUND OF FUNDS
\$10,000,000.00 PROPOSED INVESTMENT

transaction documents are approved as to form and content by the Board and approved as to form by the Board's Legal Counsel and is executed by the Board, Robeco, any Guarantors and other applicable parties, and subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including legal fees and expenses being paid from an escrow account funded by Robeco or entities other than the Board, and be it further

Resolved, That the Board notes the likelihood of suggested additional changes to the proposal will be made by the Board and any applicable due diligence monitor and/or business advisor and Special Legal Counsel, and be it further

Resolved, That any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board and the Board's Special Legal Counsel, and approval as to form and content by the Board's General Counsel, and be it further

Resolved, That upon the Board selecting Special Legal Counsel regarding this matter, arrangements be made for Robeco to escrow funds for payment of all costs and expenses, and be it further

Resolved, That the foregoing is also conditioned upon Robeco paying all costs and expenses of the Board, including legal fees in document preparation even if this proposed investment is not completed or finalized due to Robeco deciding to withdraw the proposal, refusing to execute final documents approved by the Board of Trustees, or for any other reason deciding not to proceed with the transaction, and be it further

Resolved, That a copy of this resolution be forwarded to Robeco and such Special Legal Counsel as selected by the Board:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE
AND STEWART – 6

NAYS – TRUSTEES ORZECH, PEGG AND CHAIRMAN BEST – 3

TRUSTEE FREEMAN EXCUSED HERSELF FOR THE REMAINDER OF THE MEETING.

SUMMIT-BELMAR DEVELOPMENT GROUP (WATER LOFTS)

BY MR. MILTON – SUPPORTED BY MR. ORZECH

RESOLVED, THAT DWIGHT BELYUE AND ANY ASSOCIATE OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR PRESENTATION PURPOSES:

YEAS – TRUSTEES BANDEMER, BEASLEY, MILTON, MOORE, ORZECH, PEGG, SCOTT AND CHAIRMAN BEST – 8

NAYS – NONE

PARAMOUNT LAND HOLDINGS
\$10,000,000.00 PROPOSED INVESTMENT
SELECTION OF SPECIAL LEGAL COUNSEL

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Whereas, The Board has indicated its interest in making the foregoing investment subject to a number of conditions being met including the approval of final transaction documents after all negotiations are completed by the Board and Special Legal Counsel, and

Whereas, The Board notes that legal services required to prepare the proposed transaction documents for consideration by the Board will be fairly extensive and time-consuming and will require immediate attention, requiring consecutive hours of attention by Special Legal Counsel, and

Whereas, The Board's policy in such cases is to select and retain Special Legal Counsel relative to such investment proposal who will report to the Board's General Counsel and to the Board of Trustees, as appropriate, with fees and expenses of said Special Legal Counsel to be paid for from an escrow account funded by Paramount Land Holdings, and

Whereas, The Board notes the possibility the preliminary legal services regarding the transaction may result in findings that Paramount Land Holdings will not be able to meet the requirement of the Retirement System as Lender/Investor, THEREFORE BE IT

Resolved, That the aforesaid investment proposal be assigned to F. Logan Davidson as Special Legal Counsel, and be it further

PARAMOUNT LAND HOLDINGS
\$10,000,000.00 PROPOSED INVESTMENT
SELECTION OF SPECIAL LEGAL COUNSEL

Resolved, That a further condition of the Board's continued interest in making this investment loan is Paramount Land Holdings providing the Assistant Administrative Supervisor with written confirmation that Paramount Land Holdings acknowledges receipt of this resolution and agrees to the terms therein, and be it further

Resolved, That Special Legal Counsel and the Assistant Administrative Supervisor arrange for an escrow account into which Paramount Land Holdings will provide funds for costs, expenses and legal services, and be it further

Resolved, That Special Legal Counsel submit itemized billings to Paramount Land Holdings with copies to the Retirement System, and be it further

Resolved, That the amount to be escrowed will be mutually determined by Special Legal Counsel and Paramount Land Holdings and will be reported to the Board of Trustees and the escrow may be funded in stages with the understanding that legal services will be performed only to the extent of, and after, the escrow deposit(s), and be it further

Resolved, That a copy of this resolution be provided to Paramount Land Holdings and F. Logan Davidson, the Board's Special Legal Counsel:

YEAS – TRUSTEES BANDEMER, BEASLEY, MILTON, MOORE, ORZECH,
PEGG, STEWART AND CHAIRMAN BEST – 8

NAYS – NONE

CAPRI (URBAN FUND)
\$25,000,000.00 PROPOSED INVESTMENT

BY MR. ORZECH – SUPPORTED BY MR. MILTON

Whereas, The Board has had the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in previously submitted written materials presented to the Board and discussed this date and at previous

CAPRI (URBAN FUND)
\$25,000,000.00 PROPOSED INVESTMENT

meetings, and to which certain modifications and additional requirements may have been added by the Board or advisors to the Board, per discussion between or with the Board members, and

Whereas, The Board has indicated its willingness to further consider making this proposed investment subject to certain additional terms and modifications of said proposal, which have already been identified by the Board of Trustees, and certain additional terms and modifications which will be required after Special Legal Counsel begins to prepare loan investment documents, and

Whereas, The Board's contingent approval is conditioned upon the Board's receipt of written acknowledgment from CAPRI that CAPRI has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein, and

Whereas, The Board's contingent approval is also conditioned upon the understanding that the proposed transaction does not contemplate unrelated Business Taxable Income (UBTI) to the Retirement System as Lender, and

Whereas, The Board has selected Don Wagner as Special Legal Counsel regarding this proposed investment who may submit proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, Therefore Be It

Resolved, That subject to the provisions as stated in this resolution, the Board hereby conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by CAPRI and subject to approval of final documents by the Board of Trustees, and be it further

Resolved, That it be expressly understood by all parties that there is no obligation of the Board to make the investment unless final transaction documents are approved as to form and content by the Board and approved as to form by the Board's Legal Counsel and is executed by the Board, CAPRI, any Guarantors and other applicable parties, and subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including legal fees

CAPRI (URBAN FUND)
\$25,000,000.00 PROPOSED INVESTMENT

and expenses being paid from an escrow account funded by CAPRI or entities other than the Board, and be it further

Resolved, That the Board notes the likelihood of suggested additional changes to the proposal will be made by the Board and any applicable due diligence monitor and/or business advisor and Special Legal Counsel, and be it further

Resolved, That any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board and the Board's Special Legal Counsel, and approval as to form and content by the Board's General Counsel, and be it further

Resolved, That arrangements be made for CAPRI to escrow funds for payment of all costs and expenses of Special Legal Counsel, and be it further

Resolved, That the foregoing is also conditioned upon CAPRI paying all costs and expenses of the Board, including legal fees in document preparation even if this proposed investment is not completed or finalized due to CAPRI deciding to withdraw the proposal, refusing to execute final documents approved by the Board of Trustees, or for any other reason deciding not to proceed with the transaction, and be it further

Resolved, That a copy of this resolution be forwarded to CAPRI and Don Wagner, the Board's Special Legal Counsel:

Yeas – Trustees Bandemer, Beasley, Milton, Moore, Orzech, Pegg,
Stewart and Chairman Best – 8

Nays – None

J. P. MORGAN URBAN RENAISSANCE PROPERTY FUND

BY MR. MILTON – SUPPORTED BY MR. BEASLEY

J. P. MORGAN URBAN RENAISSANCE PROPERTY FUND

Whereas, The Board has been presented with an investment proposal from J. P. Morgan, and

Whereas, The Board desires due diligence on said proposal, Therefore Be It

Resolved, That subject to J. P. Morgan agreeing to pay the costs for said due diligence and said funds being escrowed by J. P. Morgan with the Retirement System, North Point Advisors be engaged to perform due diligence on said proposal and submit their findings (in writing) to the Board, and be it further

Resolved, That the Executive Secretary/Assistant Executive Secretary arrange for the coordination of the foregoing with all applicable parties, and be it further

Resolved, That after receiving a due diligence report, the Board will decide whether it has any continued interest in the proposal, and be it further

Resolved, That a copy of this resolution be forwarded to J. P. Morgan and North Point Advisors:

Yeas – Trustees Bandemer, Beasley, Milton, Moore, Orzech,
Pegg, Stewart and Chairman Best – 8

Nays – None

CONFERENCES

BY MR. MOORE – SUPPORTED BY MR. STEWART

Resolved, That the Board approve the attendance of all Trustees, the Executive Secretary, the Assistant Executive Secretary, General Counsel and Special Legal 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, General Counsel and Special Legal Counsel to attend said conferences:

CONFERENCES

PUBLIC SAFETY PENSION & BENEFITS CONFERENCE
NEVADA
JANUARY 13, 2008 – JANUARY 16, 2008

FIRE & POLICE ACADEMY CONFERENCE
FLORIDA
JANUARY 21, 2008 – JANUARY 24, 2008

GAIM CONFERENCE
FLORIDA
JANUARY 22, 2008 – JANUARY 24, 2008

DIMENSIONAL FUND ADVISORS CONFERENCE
CALIFORNIA
JANUARY 29, 2008 – JANUARY 31, 2008

8TH ANNUAL NATIONAL INSTITUTE ON LABOR LAW AND ARBITRATION
FLORIDA
FEBRUARY 10, 2008 – FEBRUARY 12, 2008

INTERNATIONAL TRUSTEES' & ADMINISTRATORS' CONFERENCE
FLORIDA
FEBRUARY 11, 2008 – FEBRUARY 13, 2008

INTERNATIONAL TRUSTEES' & ADMINISTRATORS' CONFERENCE
FLORIDA
MARCH 10, 2008 – MARCH 11, 2008

INTERNATIONAL TRUSTEES' & ADMINISTRATORS' CONFERENCE
FLORIDA
JUNE 5, 2008 – JUNE 7, 2008

Yeas – Trustees Bandemer, Beasley, Milton, Moore, Orzech,
Pegg, Stewart and Chairman Best – 8

Nays – None

PUBLIC FORUM

AT 3:00 P.M., 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, CHAIRMAN BEST ADJOURNED THE MEETING AT 3:15 P.M. UNTIL THURSDAY, NOVEMBER 15 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

MEETING NUMBER 2652

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



PROCEEDINGS HELD THURSDAY, NOVEMBER 1, 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/Vice Chairperson |
| Jeffrey Beasley | Ex/Officio Trustee/Treasurer |
| Gregory Best | Elected Trustee/ Chairperson |
| Shereece Fleming-Freeman | Ex/Officio Alternate Trustee |
| DeDan Milton | Ex/Officio Alternate Trustee |
| James Moore | Elected Trustee |
| George Orzech | Elected Trustee |
| Jeffrey Pegg | Elected Trustee |
| Paul Stewart | Elected Trustee |
| Alberta Tinsley-Talabi | Ex/Officio Trustee/City Council Rep. |
| 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

| | |
|--------------|--------------------------------------|
| Tyrone Scott | Ex/Officio Trustee-Fire Commissioner |
|--------------|--------------------------------------|

ABSENT

None

CHAIRPERSON

Gregory Best

ROLL CALL WAS TAKEN AT 9:11 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

TRUSTEE STEWART TEMPORARILY EXCUSED HIMSELF.

CITIGROUP CAPITAL PARTNERS

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

Whereas, The Board has been presented with an October 26, 2007 communication from CitiGroup Capital Partners wherein CitiGroup Capital Partners requests that the Board fund its portion of the capital call due for CitiGroup Capital partners II Offshore, L.P. in the amount of \$2,300,000.00, 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, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

INTERCONTINENTAL

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

Whereas, The Board has been presented with an October 22, 2007 communication from Intercontinental wherein Intercontinental requests that the Board fund its portion of the capital call due for U. S. real Estate Investment Fund, LLC in the amount of \$15,000,000.00, 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, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

LIBERTY LIFE ASSURANCE COMPANY OF BOSTON

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

Whereas, The Board has been presented with an October 29, 2007 communication from Liberty Life Assurance Company of Boston wherein Liberty Life Assurance Company of Boston requests that the Board fund its portion of the capital call due for USPF II Institutional Fund, LP. in the amount of \$2,324,902.00, 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, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

CONFIRMATIONS

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

RESOLVED, THAT THE DISBURSEMENTS AND RECEIPTS WHICH ARE REFERENCED BELOW AND ON THE PAGES WHICH FOLLOW BE CONFIRMED:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

CONFIRMATIONS (DISBURSEMENTS)

THE BOARD DISBURSED THE SUM OF \$33,849.77 ON OCTOBER 17, 2007 TO FUND CANYON JOHNSON

THE BOARD DISBURSED THE SUM OF \$35,207.88 ON OCTOBER 19, 2007 TO REIMBURSE THE GENERAL FUND – CHECK WRITE ADMINISTRATIVE EXPENSES

THE BOARD DISBURSED THE SUM OF \$25,000.00 ON OCTOBER 19, 2007 TO FUND THE CAPITAL CALL FOR RDD INVESTMENT CORPORATION

THE BOARD DISBURSED THE SUM OF \$29,000.00 ON OCTOBER 19, 2007 TO PAY PLANTE MORAN'S AUDITING FEES (2006-2007)

CONFIRMATIONS (DISBURSEMENTS)

THE BOARD DISBURSED THE SUM OF \$147,386.32 ON OCTOBER 19, 2007 TO PAY MUNROS' 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$48,298.14 ON OCTOBER 19, 2007 TO PAY STEWARD CAPITAL'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$21,556.00 ON OCTOBER 19, 2007 TO PAY ALPHA PARTNER'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$40,895.08 ON OCTOBER 22, 2007 TO PAY INCOME, RESEARCH & MANAGEMENT'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$10,949.00 ON OCTOBER 22, 2007 TO PAY PAYDEN & RYGEL'S SEPTEMBER, 2007 FEES (ACCOUNT 1612)

THE BOARD DISBURSED THE SUM OF \$17,880.00 ON OCTOBER 22, 2007 TO PAY PAYDEN & RYGEL'S SEPTEMBER, 2007 FEES (ACCOUNT 1613)

THE BOARD DISBURSED THE SUM OF \$72,153.00 ON OCTOBER 22, 2007 TO PAY TRANSAMERICA'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$324,849.42 ON OCTOBER 23, 2007 TO REIMBURSE THE GENERAL FUND – REFUND LIST NUMBER 3258

THE BOARD DISBURSED THE SUM OF \$8,586.55 ON OCTOBER 23, 2007 TO PAY RHUMBLINE'S 2007 THIRD QUARTER FEES (RUSSELL 1000)

THE BOARD DISBURSED THE SUM OF \$6,953.32 ON OCTOBER 23, 2007 TO PAY RHUMBLINE'S 2007 THIRD QUARTER FEES (RUSSELL 2000)

THE BOARD DISBURSED THE SUM OF \$23,880.37 ON OCTOBER 23, 2007 TO PAY RHUMBLINE'S 2007 THIRD QUARTER FEES (MID-CAP)

THE BOARD DISBURSED THE SUM OF \$8,507.00 ON OCTOBER 24, 2007 TO PAY HOWARD & HOWARD'S SEPTEMBER, 2007 FEES – GSC PARTNERS

THE BOARD DISBURSED THE SUM OF \$68,012.61 ON OCTOBER 24, 2007 TO PAY PENN CAPITAL'S 2007 THIRD QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$15,000.00 ON OCTOBER 25, 2007 TO PAY NORTH POINT ADVISORS – PROVIDENT DUE DILIGENCE

CONFIRMATIONS (DISBURSEMENTS)

THE BOARD DISBURSED THE SUM OF \$2,158.04 ON OCTOBER 26, 2007 TO REIMBURSE THE GENERAL FUND – CHECK WRITE ADMINISTRATIVE EXPENSES

THE BOARD DISBURSED THE SUM OF \$41,113.81 ON OCTOBER 26, 2007 TO PAY MAYFIELD GENTRY – MICHIGAN MUTUAL CAPITAL IMPROVEMENTS

THE BOARD DISBURSED THE SUM OF \$778,057.32 ON OCTOBER 26, 2007 TO PAY MAYFIELD GENTRY – PFRS DUBLIN CORPORATION CAPITAL IMPROVEMENTS

THE BOARD DISBURSED THE SUM OF \$24,376.48 ON OCTOBER 26, 2007 TO REIMBURSE THE GENERAL FUND – OCTOBER, 2007 GRS STAFF WAGES

THE BOARD DISBURSED THE SUM OF \$12,913.64 ON OCTOBER 26, 2007 TO PAY LEGAL COUNSEL'S (RONALD ZAJAC) OCTOBER, 2007 LEGAL FEES

THE BOARD DISBURSED THE SUM OF \$16,091,048.10 ON OCTOBER 26, 2007 TO REIMBURSE FIRST INDEPENDENCE BANK – RETIRED PAYROLL – OCTOBER, 2007 DIRECT DEPOSIT

THE BOARD DISBURSED THE SUM OF \$255,371.76 ON OCTOBER 29, 2007 TO PAY MAYFIELD GENTRY'S ASSET MANAGEMENT FEES FOR OCTOBER, 2007

THE BOARD DISBURSED THE SUM OF \$11,250.00 ON OCTOBER 29, 2007 TO PAY TOWNSEND'S OCTOBER, 2007 FEES

TOTAL: \$18,154,253.61

CONFIRMATIONS (RECEIPTS)

THE BOARD RECEIVED THE SUM OF \$57,510.00 ON OCTOBER 17, 2007 FROM THE SHEFFIELD

THE BOARD RECEIVED THE SUM OF \$210,000.00 ON OCTOBER 18, 2007 FROM MMA-BANK OF AMERICA – ONE YEAR CREDIT ENHANCEMENT FEE

THE BOARD RECEIVED THE SUM OF \$39,583.34 ON OCTOBER 18, 2007 FROM HIGHPOINT OF ROMEOVILLE

THE BOARD RECEIVED THE SUM OF \$99,276.34 ON OCTOBER 19, 2007 FROM THE GENERAL FUND – WEEKLY ANNUITY (16/08)

CONFIRMATIONS (RECEIPTS)

THE BOARD RECEIVED THE SUM OF \$1,182,347.54 ON OCTOBER 19, 2007 FROM MAYFIELD GENTRY – SEPTEMBER, 2007 REMITTANCE

THE BOARD RECEIVED THE SUM OF \$15,000.00 ON OCTOBER 19, 2007 FROM FINCH ASSET MANAGEMENT – DUE DILIGENCE FEE

THE BOARD RECEIVED THE SUM OF \$191,780.00 ON OCTOBER 23, 2007 FROM LIGHT STONE VALUE PLUS REIT – 2007 SECOND QUARTER DISTRIBUTION

THE BOARD RECEIVED THE SUM OF \$15,000.00 ON OCTOBER 25, 2007 FROM THE PROVIDENT GROUP – DUE DILIGENCE

THE BOARD RECEIVED THE SUM OF \$289,794.95 ON OCTOBER 25, 2007 FROM THE GENERAL FUND – WEEKLY ANNUITY (17/08)

THE BOARD RECEIVED THE SUM OF \$423.50 ON OCTOBER 18, 2007 FROM ABEL NOSER – SEPTEMBER, 2007 REMITTANCE

THE BOARD RECEIVED THE SUM OF \$75.00 ON OCTOBER 18, 2007 FROM TINSLEY, HALL, FELDER & WOOD – EXPRESS MAIL FEE

THE BOARD RECEIVED THE SUM OF \$50.00 ON OCTOBER 18, 2007 FROM FRANK ENGLISH – LAP-TOP COMPUTER PURCHASE

THE BOARD RECEIVED THE SUM OF \$16,000.00 ON OCTOBER 18, 2007 FROM LINDA BAKER – RETURNED REFUND – LIST NUMBER 3254

TOTAL: \$2,059,330.67

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

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 # 3259, IN THE AMOUNT OF \$1,064,945.68, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

REFUNDS OF ACCUMULATED CONTRIBUTIONS

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

BILL PAYMENT REQUESTS

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

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

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

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

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

ADP, INC. – OCTOBER 26, 2007 - \$106.33 – POLICE AND FIRE PORTION OF
\$212.65 – SUPPLIES

ADP, INC. – OCTOBER 19, 2007 - \$103.87 – POLICE AND FIRE PORTION OF
\$207.73 – SUPPLIES

ADP, INC. – OCTOBER 12, 2007 - \$96.53 – POLICE AND FIRE PORTION OF
\$193.06 – SUPPLIES

ADP, INC. – OCTOBER 26, 2007 - \$58.97 – POLICE AND FIRE PORTION OF
\$117.94 – SUPPLIES

BLACKROCK – OCTOBER 11, 2007 - \$18,175.00 – 2007 THIRD QUARTER FEES

CLARK HILL – OCTOBER 24, 2007 - \$36,942.80 – LEGAL FEES

COMERICA – OCTOBER 3, 2007 - \$62.50 – 2007 THIRD QUARTER FEES

BILL PAYMENT REQUESTS

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

DAVIDSON, F. LOGAN – OCTOBER 23, 2007 - \$4,679.00 – POLICE AND FIRE PORTION OF \$9,358.00 – LEGAL FEES FOR THE PERIOD JANUARY 1, 2006 THROUGH SEPTEMBER 30, 2007 – DRS HOLDINGS, INC.

DAVIDSON, F. LOGAN – OCTOBER 31, 2007 - \$1,150.00 – LEGAL FEES – DRS HOLDINGS, INC.

DELL MARKETING – OCTOBER 22, 2007 - \$2,798.10 – POLICE AND FIRE PORTION OF \$5,596.20 – SUPPLIES

DIMENSIONAL FUND ADVISORS – OCTOBER 22, 2007 - \$170,213.68 – 2007 THIRD QUARTER FEES

EARNEST PARTNERS – OCTOBER 17, 2007 - \$67,473.72 – 2007 THIRD QUARTER FEES

GABRIEL, ROEDER, SMITH & COMPANY – OCTOBER 21, 2007 - \$400.00 – EDRO FEES

GLAZER, MARK – OCTOBER 3, 2007 - \$3,755.00 – DRRB OF CANDICE PETERS

GRAPHIC SCIENCES – OCTOBER 26, 2007 - \$2,594.33 – POLICE AND FIRE PORTION OF \$5,188.66 – SUPPLIES

HGK ASSET MANAGEMENT – OCTOBER 30, 2007 - \$5,717.97 – PERIOD ENDING SEPTEMBER 30, 2007

IT STAFF – OCTOBER 30, 2007 - \$57,157.28 – POLICE AND FIRE PORTION OF \$120,249.53 – COMPUTER PROGRAMMER FEES FOR OCTOBER, 2007

KENNEDY CAPITAL – OCTOBER 25, 2007 - \$584,074.00 – 2007 THIRD QUARTER FEES

MILESTONE REALTY SERVICES, INC. – OCTOBER 26, 2007 - \$15,000.00 – POLICE AND FIRE PORTION OF \$30,000.00 – 7850 E. JEFFERSON

NORTH POINTE CAPITAL – OCTOBER 24, 2007 - \$135,835.10 – 2007 THIRD QUARTER FEES

BILL PAYMENT REQUESTS

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

O'NEAL, REGINALD (MEDICAL DIRECTOR) – OCTOBER 30, 2007 -
\$3,360.00 – EXAMINATION FEES

OPPENHEIMER CAPITAL – OCTOBER 18, 2007 - \$187,473.66 – 2007 THIRD
QUARTER FEES

PEERNET, INC. – OCTOBER 24, 2007 - \$2,342.20 – POLICE AND FIRE PORTION
OF \$4,684.40 – TELEPHONE AND E-MAIL SUPPORT

PLANTE & MORAN – OCTOBER 23, 2007 - \$6,100.00 – POLICE AND FIRE
PORTION OF \$12,200.00 – AUDITING SERVICES RENDERED OCTOBER 6, 2007
OCTOBER 19, 2007

RETIREMENT SYSTEM ACCOUNTING STAFF – OCTOBER 30, 2007 - \$5,000.00 –
POLICE AND FIRE PORTION OF \$10,000.00 – POSTAGE REPLENISHMENT

TCW – OCTOBER 13, 2007 - \$84,767.60 – 2007 THIRD QUARTER FEES

XJJ COMPANY – OCTOBER 30, 2007 - \$23,999.33 – POLICE AND FIRE
PORTION OF \$47,998.66 – EMPLOYEE PAYROLL FOR THE PERIOD SEPTEMBER
24, 2007 THROUGH OCTOBER 19, 2007

ZONES – OCTOBER 9, 2007 - \$1,137.63 – POLICE AND FIRE PORTION OF
\$2,275.26 – PRINTERS

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

THE REQUEST OF CHARLIE PRITCHETT

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

WHEREAS, CHARLIE PRITCHETT HAS PRESENTED THE BOARD WITH AN
OCTOBER 24, 2007 REQUEST TO RECEIVE A REFUND OF THE MILITARY
SERVICE CREDIT HE PURCHASED, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF MR. PRITCHETT BE APPROVED:

THE REQUEST OF CHARLIE PRITCHETT

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

THE REQUEST OF MARION WELLS

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

WHEREAS, MARION WELLS HAS PRESENTED THE BOARD WITH AN OCTOBER 27, 2007 REQUEST TO RECEIVE A REFUND OF THE MILITARY SERVICE CREDIT HE PURCHASED, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF MR. WELLS BE APPROVED:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

THE REQUEST OF RICHARD LIS

BY MR. ORZECH – SUPPORTED BY MR. PEGG

WHEREAS, RICHARD LIS HAS PRESENTED THE BOARD WITH AN OCTOBER 30, 2007 REQUEST TO RESCIND HIS JUNE 12, 2007 DUTY DISABILITY RETIREMENT APPLICATION, THEREFORE BE IT

RESOLVED, THAT THE BOARD HEREBY RESCINDS ITS OCTOBER 18, 2007 MOTION APPROVING MR. LIS' APPLICATION FOR DUTY DISABILITY RETIREMENT:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

PENSIONS & INVESTMENTS

BY MR. ORZECH – SUPPORTED BY MS. FREEMAN

PENSIONS & INVESTMENTS

WHEREAS, Pensions & Investments magazine has requested certain information with respect to the assets of the System as of September 30, 2007 for the purpose of the publication of its annual list of the 1,000 largest pension plans in the United States, and

WHEREAS, the Board has discussed this matter with staff and staff is of the opinion that no confidential or proprietary information is being requested, and

WHEREAS, the Board has provided this information to Pensions & Investments for this purpose in the past, therefore be it

RESOLVED, that staff be directed to timely complete the information request of Pensions & Investments:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg and Chairman
Best – 5

Nays – None

DISABILITY RETIREMENT REVIEW BOARD OF CANDICE PETERS

CHAIRMAN BEST DIRECTED THAT ARBITRATOR MARK GLAZER'S OCTOBER 3, 2007 DRRB OPINION WHICH AWARDS CANDICE PETERS DUTY DISABILITY RETIREMENT BENEFITS BE MADE A MATTER OF RECORD.

TRUSTEE STEWART RE-JOINED THE MEETING.

TRUSTEE TALABI AND SPECIAL COUNSEL JOE TURNER ENTERED THE MEETING.

THE REQUEST OF WILLIAM SHELL

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

WHEREAS, WILLIAM SHELL RETIRED EFFECTIVE JUNE 1, 1987, AND

WHEREAS, MR. SHELL REQUESTS TO PURCHASE MILITARY TIME AND INCREASE OF PENSION BENEFITS RELYING UPON AMENDMENTS SUBSEQUENT TO HIS RETIREMENT WHICH WERE NOT RETROACTIVE, AND

THE REQUEST OF WILLIAM SHELL

WHEREAS, THE BOARD HAS NO AUTHORITY TO GRANT MR. SHELL'S REQUEST, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF WILLIAM SHELL IS DENIED, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MR. SHELL:

Yeas – Trustees Bandemer, Freeman, Orzech, Pegg, Stewart, Talabi
and Chairman Best – 7

Nays – None

TRUSTEES MILTON AND MOORE ENTERED THE MEETING.

TRUSTEE BEASLEY ENTERED THE MEETING.

S & G CAPITAL

LOU VOGT OF BANYAN REALTY MANAGEMENT JOINED THE BOARD VIA PHONE CONFERENCE IN LISTENING TO DERRON SANDERS AND TWO (2) ASSOCIATES DISCUSS THE STATUS OF S & G CAPITAL.

THE BOARD THEN EXCUSED MR. SANDERS AND HIS ASSOCIATES.

BANYAN REALTY MANAGEMENT

MR. VOGT ALSO DISCUSSED TRANS-CAPITAL AND THE MCRAE GROUP OF COMPANIES WITH THE BOARD.

TRUSTEES BANDEMER AND PEGG TEMPORARILY EXCUSED THEMSELVES.

MCRAE GROUP OF COMPANIES
(MANN 1100) PUD, DALLAS, TEXAS
UP TO \$15,600,000.00 LIMITED PARTNER INTEREST

BY MR. STEWART – SUPPORTED BY MR. MILTON

MCRAE GROUP OF COMPANIES
(MANN 1100) PUD, DALLAS, TEXAS
UP TO \$15,600,000.00 LIMITED PARTNER INTEREST

Whereas, The Board has been requested to execute a Limited Partnership Agreement of NEAL and FM 548-1076 (MANN 1100), LLLP dated November 1, 2007 relative to the foregoing transaction, and

Whereas, The execution of said document has been recommended by the Board's advisor, Banyan Realty Management, and the Board's Special Legal Counsel, F. Logan Davidson, P.C., and

Whereas, The execution of said document has been reviewed and approved as to form by the Board's Legal Counsel, and the execution of said document is consistent with prior action of the Board, and

Whereas, In connection with said investment, the Board is being requested to wire-transfer \$7,600,000.00 to NEAL and FM 548-1076 (MANN 1100), LLLP as the Board's initial capital contribution, Therefore Be It

Resolved, That said document be executed by two (2) authorized signatories on behalf of the Board, and be it further

Resolved, That the sum of \$7,600,000.00 be wire-transferred consistent with the Board's established procedures to NEAL and FM 548-1076 (MANN 1100), LLLP as the Board's initial capital contribution under the limited partnership agreement subject to the written approval of the Board's Special Legal Counsel, General Counsel and Executive Secretary, and be it further

Resolved, That the executed original document be forwarded to the appropriate party, and be it further

Resolved, That the Accounting Division of the Retirement System retain copies of said executed original document:

Yeas – Trustees Beasley, Freeman, Milton, Moore, Orzech, Stewart,
Talabi and Chairman Best – 8

Nays – None

TRUSTEES BANDEMER AND PEGG RE-JOINED THE MEETING.

SMITH BARNEY

BRUCE BALLARD AND AN ASSOCIATE APPEARED BEFORE THE BOARD AND DISCUSSED THIRD QUARTER 2007 PERFORMANCE MEASUREMENT. THE BOARD THEN EXCUSED MR. BALLARD AND HIS ASSOCIATE.

NUTMEG SECURITIES

PATRICK WHITE AND THOMAS DOYLE APPEARED BEFORE THE BOARD, DISCUSSED SECURITIES BROKERAGE AND THEN EXCUSED THEMSELVES.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING INTERCONTINENTAL, ICG-GM FINANCIAL, INC., 7850 EAST JEFFERSON, THE MCRAE GROUP OF COMPANIES, SCOTT AND SCOTT, EDWARDS VERSUS REINHOLD, WITHERSPOON VERSUS WITHERSPOON, 2006 TAX RETURNS AND PFRS ROMULUS CORP.

INTERCONTINENTAL/U. S. REAL ESTATE INVESTMENT FUND, LLC

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 29, 2007 LETTER FROM INTERCONTINENTAL REQUESTING THE BOARD TO EITHER AGREE OR NOT AGREE TO WAIVE THE RIGHT OF 90-DAY NOTICE, RE: THE DIVIDEND RE-INVESTMENT PLAN, AND TO EITHER ELECT OR NOT ELECT TO RE-INVEST CASH DISTRIBUTIONS, THEREFORE BE IT

RESOLVED, THAT THE BOARD AGREES TO WAIVE THE 90-DAY NOTICE AND DOES NOT ELECT TO RE-INVEST FUTURE CASH DISTRIBUTIONS, AND BE IT FURTHER

RESOLVED, THAT THE DOCUMENT BE EXECUTED ON BEHALF OF THE SYSTEM AND RETURNED TO INTERCONTINENTAL, AND BE IT FURTHER

RESOLVED, THAT THE ACCOUNTING DIVISION OF THE RETIREMENT RETAIN A COPY OF SAID EXECUTED DOCUMENT:

Yeas – Trustees Bandemer, Beasley, Freeman, Milton, Moore,
Orzech, Pegg, Stewart, Talabi and Chairman Best – 10

INTERCONTINENTAL/U. S. REAL ESTATE INVESTMENT FUND, LLC

Nays – None

ICG LEASEBACK FUND I, LLC
UP TO \$22,000,000.00 INVESTOR MEMBER INTEREST

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

Whereas, The Board has been requested to execute an October 31, 2007 First Amendment to Operating Agreement of ICG Leaseback Fund I, LLC relative to the foregoing transaction, and

Whereas, The execution of said document has been recommended by the Board's advisor, Banyan Realty Management, and the Board's Special Legal Counsel, F. Logan Davidson, P.C., and

Whereas, The execution of said document has been reviewed and approved as to form by the Board's Legal Counsel, and the execution of said document is consistent with prior action of the Board, and

Whereas, In connection with said investment, the Board is being requested to wire-transfer \$19,945,000.00 to ICG Leaseback Fund I, LLC as the Board's contribution for the balance of the purchase price under the purchase agreement, and

Whereas, The wire-transfer of said funds is subject to the receipt and approval of all closing documents by the Board's Real Estate Advisor, Special Legal Counsel and General Counsel, including a Closing Statement and Certification of Application of Funds and Affidavits(s),
Therefore Be It

Resolved, That said document be executed by two (2) authorized signatories on behalf of the Board, and be it further

Resolved, That the sum of \$19,945,000.00 be wire-transferred to ICG Leaseback Fund I, LLC as the Board's contribution for the balance of the purchase price under the purchase agreement subject to the written approval of the Board's Special Legal Counsel, General Counsel and Executive Secretary of the disbursement request and the above-referenced closing documents, and be it further

ICG LEASEBACK FUND I, LLC
UP TO \$22,000,000.00 INVESTOR MEMBER INTEREST

Resolved, That the executed original document be forwarded to the appropriate party, and be it further

Resolved, That the Retirement System Accounting staff retain copies of said executed original document:

Yeas – Trustees Bandemer, Beasley, Freeman, Milton, Moore,
Pegg, Stewart and Talabi – 8

Nays – Trustees Orzech and Chairman Best – 2

WSB FINANCIAL GROUP, INC.

BY MR. ORZECHECH – SUPPORTED BY MR. BANDEMER

WHEREAS, THE SYSTEM HAS INCURRED APPROXIMATELY \$442,000 IN LOSSES FROM PURCHASES OF WSB FINANCIAL GROUP, INC. STOCK AND

WHEREAS, BERNSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP HAS REPORTED TO THE BOARD REGARDING THEIR ANALYSIS OF THE MERITS OF A CASE AGAINST WBS FINANCIAL GROUP, INC., AND

WHEREAS, BERNSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP HAS INQUIRED WHETHER THE RETIREMENT SYSTEM IS INTERESTED IN SEEKING TO BE A LEAD PLAINTIFF IN THIS LITIGATION, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, AND

WHEREAS, THE BOARD DEEMS IT APPROPRIATE TO SEEK TO BE A LEAD PLAINTIFF IN THIS MATTER TO RECOVER LOSSES INCURRED BY THE SYSTEM, THEREFORE BE IT

RESOLVED, THAT THE BOARD SEEK TO BE NAMED LEAD PLAINTIFF REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT BERNSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP BE RETAINED TO REPRESENT THE SYSTEM REGARDING THIS MATTER, SUBJECT TO AGREEMENT REGARDING PRIOR TERMS OF RETENTION IN CLASS ACTION MATTERS, AND BE IT FURTHER

WSB FINANCIAL GROUP, INC.

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO
BERSTEIN, LITOWITZ, BERGER AND GROSSMANN, LLP:

Yeas – Trustees Bandemer, Beasley, Freeman, Milton, Moore, Orzech, Pegg,
Stewart, Talabi and Chairman Best – 10

Nays – None

TRUSTEE BANDEMER TEMPORARILY EXCUSED HIMSELF.

7850 EAST JEFFERSON

BY MR. ORZECH – SUPPORTED BY MR. PEGG

WHEREAS, THE BOARD ADOPTED A SEPTEMBER 6, 2007 RESOLUTION TO
ACQUIRE THE 7850 EAST JEFFERSON PROPERTY, AND

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 30, 2007
LETTER/REPORT FROM MILESTONE REALTY SERVICES, INC., AND

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

RESOLVED, THAT THE PURCHASE BE COMPLETED CONSISTENT WITH
PREVIOUSLY APPROVED DOCUMENTS, AND BE IT FURTHER

RESOLVED, THAT THE PURCHASE AMOUNT (PLUS RELATED EXPENSES
ESTIMATED UP TO \$2,000,000.00) BE WIRE-TRANSFERRED SUBJECT TO
APPROVAL OF ALL DOCUMENTS BY THE BOARD'S SPECIAL LEGAL COUNSEL,
F. LOGAN DAVIDSON, P.C., GENERAL COUNSEL AND EXECUTIVE
SECRETARY, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL
LEGAL COUNSEL, F. LOGAN DAVIDSON, P.C. AND MILESTONE REALTY
SERVICES, INC.:

Yeas – Trustees Beasley, Freeman, Milton, Moore, Orzech,
Pegg, Talabi and Chairman Best – 8

Nays – Trustee Stewart – 1

TRUSTEE BANDEMER RE-JOINED THE MEETING.

CLASS ACTION LITIGATION SPECIAL LEGAL COUNSEL

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD HAS ADDED THE LAW FIRM OF SCOTT AND SCOTT TO ITS APPROVED CLASS ACTION LITIGATION SPECIAL LEGAL COUNSEL LIST, AND

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 8, 2007 REQUEST FROM SCOTT AND SCOTT FOR BOARD APPROVAL TO OBTAIN CUSTODIAL BANK TRANSMISSION OF ELECTRONIC INFORMATION, AND

WHEREAS, SAID REQUEST LETTER INCLUDES A CONFIDENTIALITY AGREEMENT BY SCOTT AND SCOTT REGARDING INFORMATION REGARDING THE RETIREMENT SYSTEM'S SECURITIES, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES THE OCTOBER 8, 2007 REQUEST OF SCOTT AND SCOTT, AND BE IT FURTHER

RESOLVED, THAT THE BOARD'S EXECUTIVE SECRETARY, INVESTMENT ANALYST AND THE BANK OF NEW YORK (RETIREMENT SYSTEM CUSTODIAL BANK) EFFECTUATE THE ACCESS OF THE REQUEST, ET AL, INFORMATION FOR SCOTT AND SCOTT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SCOTT AND SCOTT (ATTENTION: DAVID R. SCOTT) AND THE BOARD'S CUSTODIAL BANK, THE BANK OF NEW YORK (ATTENTION: TOM BARRETT):

Yeas – Trustees Bandemer, Beasley, Freeman, Milton, Moore,
Orzech, Pegg, Stewart, Talabi and Chairman Best – 10

Nays – None

PFRS ROMULUS CORP.
2006 PARTNERSHIP TAX RETURN FOR ROMULUS DEEP DISPOSAL LIMITED
PARTNERSHIP

THE BOARD WAS MADE AWARE OF THE EXECUTION OF THE 2006 U.S. PARTNERSHIP INCOME TAX RETURN DATED NOVEMBER 1, 2007 FOR ROMULUS DEEP DISPOSAL LIMITED PARTNERSHIP BY AN OFFICER OF THE

PFRS ROMULUS CORP.
2006 PARTNERSHIP TAX RETURN FOR ROMULUS DEEP DISPOSAL LIMITED PARTNERSHIP

CORPORATION AS THE PARTNER OF ROMULUS DEEP DISPOSAL LIMITED PARTNERSHIP.

2006 TAX RETURNS

THE BOARD WAS MADE AWARE OF THE EXECUTION OF THE FOLLOWING 2006 TAX RETURNS DATED NOVEMBER 1, 2007 BY AN OFFICER OF THE CORPORATION:

3151 BEHREND DRIVE CORPORATION

2006 AMENDED U.S. RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX OF PFRS 3151 BEHREND DRIVE CORPORATION

2006 ARIZONA EXEMPT ORGANIZATION ANNUAL INFORMATION RETURN OF PFRS 3151 BEHREND DRIVE CORPORATION

3202 BEHREND DRIVE CORPORATION

2006 U.S. RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX OF PFRS 3202 BEHREND DRIVE CORPORATION

3202 BEHREND DRIVE CORPORATION

2006 ARIZONA EXEMPT ORGANIZATION ANNUAL INFORMATION RETURN OF PFRS 3202 BEHREND DRIVE CORPORATION

PFRS AVANTI CORPORATION

2006 OKLAHOMA FINAL RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX OF PFRS AVANTI CORPORATION

TRUSTEE TALABI EXCUSED HERSELF.

EDWARDS VERSUS REINHOLD
WAYNE COUNTY CASE 374-000778-DM

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD IS IN RECEIPT OF A MAY 15, 1975 JUDGMENT OF DIVORCE WHEREIN BY LACK OF ANY REFERENCE TO PENSION BENEFITS, MARCUS EDWARDS IS, IN EFFECT, AWARDED 100% OF THE DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN BENEFITS HE HAS; AND WHEREAS THE BOARD HAS BEEN INFORMED THAT PARTICIPANT RETIRED EFFECTIVE AUGUST 12, 1995, AND WHEREAS PARTICIPANT'S DATE OF BIRTH IS DECEMBER 3, 1946, AND PARTICIPANT HAD ATTAINED 26 YEARS, 00 MONTHS AND 28 DAYS OF SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN, AND ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN, AND

WHEREAS, SAID MATTER HAS BEEN DISCUSSED WITH LEGAL COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID COURT ORDER ARE CONSISTENT WITH THE PROVISIONS OF THE RETIREMENT SYSTEM AND APPLICABLE LAW, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY 100% OF PENSION BENEFITS TO PARTICIPANT, A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND A COPY OF THIS RESOLUTION BE FORWARDED TO JANET REINHOLD AND MARCUS EDWARDS:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

WITHERSPOON VERSUS WITHERSPOON
WAYNE COUNTY CASE #00-033683-DM

BY MR. MOORE – SUPPORTED BY MR. PEGG

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 24, 2007 DOMESTIC RELATIONS ORDER WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF DIVORCE WHEREIN SHEILA WITHERSPOON IS AWARDED 100% OF THE DEFINED BENEFIT PLAN BENEFITS OF DAVID WITHERSPOON, AND WHEREAS, THE BOARD HAS BEEN INFORMED THAT PARTICIPANT RETIRED EFFECTIVE FEBRUARY 16, 2000, AND WHEREAS PARTICIPANT'S DATE OF BIRTH IS NOVEMBER 9, 1958 AND PARTICIPANT HAD ATTAINED 16 YEARS, 05 MONTHS AND 17 DAYS OF SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN BECAUSE ALL AMOUNTS WERE PREVIOUSLY WITHDRAWN FROM THE DEFINED CONTRIBUTION PLAN, BUT ALTERNATE PAYEE IS ENTITLED TO CLAIM 100% OF PARTICIPANT'S DEFINED BENEFIT PLAN, AND

WHEREAS, THE EARLIEST DATE THAT PAYMENTS FROM THE DEFINED BENEFIT PLAN CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE IS IMMEDIATELY, AND

WHEREAS, SAID MATTER HAS BEEN DISCUSSED WITH LEGAL COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID COURT ORDER ARE CONSISTENT WITH THE PROVISIONS OF THE RETIREMENT SYSTEM AND APPLICABLE LAW, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER, A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND A COPY OF THIS RESOLUTION BE FORWARDED TO SHEILA WITHERSPOON AND DAVID WITHERSPOON:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECZ, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

MMA

PAUL BERNARD APPEARED BEFORE THE BOARD AND DISCUSSED A LETTER OF CREDIT MODIFICATION FOR WACHOVIA'S PERMANENT RE-PURCHASE FACILITY.

THE BOARD THEN EXCUSED MR. BERNARD.

RDD INVESTMENT CORPORATION/CLOSED SESSION

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

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, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

The Board entered into Closed Session at 1:20 P.M.

DURING CLOSED SESSION, SPECIAL LEGAL COUNSEL JOE TURNER PRESENTED THE BOARD WITH A COPY OF AN OCTOBER 31, 2007 COMMUNICATION REGARDING THE STATUS OF THE RDD DEEP WELL.

OPEN SESSION

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

The Board returned to Open Session at 1:55 P.M.

ENVIRONMENTAL DISPOSAL SERVICES

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

WHEREAS, The Board of Trustees of the Police and Fire Retirement System of the City of Detroit, (the “Board”) was the lender of an approximately \$40,000,000 loan to Environmental Disposal Services (“EDS”), Romulus Deep Disposal Limited Partnership (“Romulus”) and Remus Joint Venture Partner (“Remus”) (collectively EDS, Romulus and Remus shall be referred hereinafter as, the “Borrowers”) and such loan proceeds funded, inter alia, the land acquisition, construction and operation of a deep disposal well wastewater treatment facility located in Romulus Michigan (the “Facility”), and

WHEREAS, On November 9, 2006, the Borrowers, while in material default under the loan documents, relinquished and assigned to RDD Investment Corp. (RDD), the Board’s designee, all of Borrowers’ right, title and interest in the facility, including, but not limited to the underground injection control (UIC) permits held by EDS (subject to final approval by the Environmental Protection Agency [EPA]), and

WHEREAS, the Board promptly notified the EPA of the Board’s interest in the Facility and the Board’s subsequent agreement to sell the Facility, inclusive of the UIC permits, to Environmental GEO Technologies, LLC (EGT) and requested the EPA’s approval of EGT’s application to transfer the UIC permits, and

WHEREAS, On or about February 8, 2007 RDD, the System and EGT entered into a Transfer Agreement contemplating the transfer of the Facility to EGT upon the approval by the regulatory agencies of the transfer of the permits and licenses (including the UIC permits) to EGT, and at all times thereafter RDD and EGT, individually and collectively, vigorously pursued the appropriate administrative actions to effectuate the transfer of the permits and licenses (including the UIC permits), including but not limited to engaging in several meetings with the EPA and Michigan Department of Environmental Quality (MDEQ), and

WHEREAS, At all times following execution of the Transfer Agreement the Board, through RDD, diligently undertook efforts to correct notice of violations issued by EPA and MDEQ regarding the Facility and as such the Board, through RDD, incurred substantial expenses related to the Facility in order to facilitate a transfer of the licenses and permits and protect the Board’s investment, and

ENVIRONMENTAL DISPOSAL SERVICES

WHEREAS, Notwithstanding the foregoing, on April 12, 2007, the EPA issued to RDD and EGT a notice of intent to terminate the UIC permits (Notice of Intent to Terminate) which was based solely on numerous violations committed by EDS during the brief period EDS operated the Facility, and

WHEREAS, Subsequent to the issuance of the Notice of Intent to Terminate and notwithstanding the continued vigorous efforts of RDD, the System and EGT to defend the termination proceeding and work out a stipulated order for the transfer of the UIC permits, the EPA refused to meet with any representatives of RDD, the Board or EGT, and

WHEREAS, RDD, the Board and EGT each appeared at the EPA public hearing and submitted timely public comments during the EPA's administrative termination proceeding, thus preserving a right to appeal an adverse final determination, and

WHEREAS, On October 22, 2007, the EPA issued its final determination terminating the UIC permits and served upon RDD, the Board and EGT a copy of the final determination, and

WHEREAS, pursuant to the EPA's administrative rules, RDD and the Board must file an appeal with the EPA Environmental Appeals Board (EAB) on or before November 23, 2007, and

WHEREAS, Joe Turner, of Clark Hill PLC ("Special Counsel") and, Ronald Zajac, the Board's General Counsel, each on behalf of the Transition Team, in closed session, advised the Board, inter alia, relative to the appropriate legal course of action to preserve the Board's interest in the Facility, and

WHEREAS, the Board has considered this matter in open session, and
THEREFORE BE IT

RESOLVED, that, in light of the foregoing, the Board, on behalf of RDD, RDD Operating LLC ("RDD LLC") and the System (collectively RDD, RDD LLC and the System, hereinafter shall be referred to as, "RDD"), hereby approves an appeal, to the EAB, of the EPA's decision to terminate the UIC permits, and be it further

ENVIRONMENTAL DISPOSAL SERVICES

RESOLVED, the Board hereby approves the continued engagement of Clark Hill PLC, as Special Counsel, to effectuate RDD's appeal as set forth above, and be it further

RESOLVED, that a copy of this resolution be forwarded to EGT and Special Counsel:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG AND STEWART – 8

NAYS – CHAIRMAN BEST – 1

TRUSTEE BANDEMER TEMPORARILY EXCUSED HIMSELF.

ENVIRONMENTAL DISPOSAL SERVICES

BY MR. MOORE – SUPPORTED BY MR. STEWART

WHEREAS, Previously the Police and Fire Retirement System of the City of Detroit (the "System"), RDD Investment Corp., and RDD Operations LLC (collectively, "RDD") intervened in the U.S. Sixth Circuit Court of Appeals case, Environmental GEO-Technologies, LLC v. United States Environmental Protection Agency, et al., No. 07-4041, which appealed the Environmental Protection Agency Appeals Board (EAB) decision confirming the EPA's decision to cease and desist processing the Environmental GEO Technologies, LLC (EGT) transfer application (the "EGT Action"), and

WHEREAS, On October 22, 2007, the EPA issued its final determination terminating the underground injection control (UIC) permits held by Environmental Disposal Services (EDS) with respect to the Romulus deep well disposal facility located in Romulus, Michigan, and

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the "Board") approved an appeal, to the EAB, of the EPA's termination of the UIC permits, thus rendering moot the need for RDD to continue in the EGT Action, and

WHEREAS, Joe Turner, of Clark Hill PLC ("Special Counsel") and, Ronald Zajac, the Board's General Counsel, each on behalf of the Transition Team, in closed session, advised the Board, and

ENVIRONMENTAL DISPOSAL SERVICES

WHEREAS, the Board has considered this matter in open session, and THEREFORE BE IT

RESOLVED, that, in light of the foregoing, the Board hereby approves RDD's withdrawal from the EGT Action, and be it further

RESOLVED, that Special Counsel is authorized to take the appropriate steps to effectuate RDD's withdrawal from the EGT Action, and be it further

RESOLVED, that a copy of this resolution be forwarded to EGT and Special Counsel:

YEAS – TRUSTEES BEASLEY, FREEMAN, MILTON, MOORE, ORZECH,
PEGG, STEWART AND CHAIRMAN BEST – 8

NAYS – NONE

TRUSTEE BANDEMER RE-JOINED THE MEETING.

MINOR CHILD BENEFITS PAYMENTS

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the "Board"), which has authority to administer the provisions of the Retirement System, previously approved a minor child's benefit payments policy, which in summary provides for survivor benefit payments, not exceeding \$5,000 annually to a minor child, may be paid to a parent or other person consistent with the Michigan Revised Probate Code, namely MCL 700.403 et seq., without having a conservatorship, and

WHEREAS, it has come to the attention of the Board that some survivor benefits otherwise payable to minor children exceed the \$5,000 annual payment limits, thus a parent or guardian will still be required to incur the expense of establishing a conservatorship through the respective probate court, and

MINOR CHILD BENEFITS PAYMENTS

WHEREAS, the intent of the Board was and remains to have the families of a minor child eligible to receive a survivor's benefit payment avoid the cost of probate proceedings, if possible, and

WHEREAS, in the interest of continuing the Board's intentions and policy of protecting an eligible recipient of minor child benefits from unnecessary probate court costs and conservatorship proceedings, the Board's General Counsel and Special Counsel have advised the Board of available options, and

WHEREAS, the Board has considered this matter, THEREFORE BE IT

RESOLVED, the Board's revised policy for disbursement of minor child benefits shall be as follows:

1. With respect to annual benefits, not exceeding \$5,000 each year, to a minor child, the Board at its sole discretion, may pay the minor child benefit to:
 - A. the minor child if he or she is married; or
 - B. an individual having care and custody of the minor child with whom the minor child resides; or
 - C. a guardian of the minor; or
 - D. a financial institution for deposit into a state or federally insured savings account in the sole name of the minor child with notice of the deposit to the minor child.

NOTE: If a conservator for the minor child is established due to other circumstances, the Board will decide if the payments are made to the conservator or if payments are made consistent with item 1 above.

2. With respect to annual benefits exceeding \$5,000 to a minor child:
 - A. if the annual benefits are more than \$7,500, the minor child's benefit payment shall be paid to the

MINOR CHILD BENEFITS PAYMENTS

conservator appointed by the appropriate probate court; or

- B. if the annual payments are between \$5,001 - \$7,500, the parent or guardian, at his or her sole discretion, may (i) establish a conservatorship through the appropriate probate court and the conservator will receive the annual payments or (ii) receive up to the \$5,000 annually consistent with the Board's policy, and with respect to the balance, approve the retention by the Board of any monthly payment

amounts in excess of \$416.66 (the "Excess Proceeds") and credit said amounts with interest (the actuarial rate of interest) for disbursement as follows:

- (1) to the minor child on or after the date the minor child reaches the age of majority; or
- (2) to the person designated in an order of the appropriate court, and

3. With Respect to Existing Files:

- A. If the conservatorship continues solely to receive the child's benefit from the Police and Fire Retirement System, such conservatorship may be discontinued by the appropriate party and the minor child's benefit will be paid to one of the parties indicated above in items 1 or 2.
- B. If the conservatorship continues to receive benefits in addition to benefits from the Police and Fire Retirement System, the Board will continue to pay the minor child's benefits to the conservatorship.

MINOR CHILD BENEFITS PAYMENTS

4. With respect to any extenuating circumstances based on the sole discretion of the Board regarding annual payments, not exceeding \$5,000, to a minor child, the minor child's benefit payments shall be paid to the conservator appointed by the appropriate probate court.
5. To the extent the parent or guardian elects to rescind the prior request and approval, a conservatorship must be established at the expense of the parent or guardian, and be it further

RESOLVED, that a copy of this resolution be forwarded to all parents, guardians or conservators of minor children eligible to receive minor child benefits, the Board's Advisor and the Board's Special Legal Counsel:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

NORTH POINT ADVISORS

ADRIAN ANDERSON DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING ROBECO, PARADIGM, SEIZERT, EDGAR LOMAX, BLACK EAGLE AND ORLEANS CAPITAL.

RHUMBLINE

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, the Board, by prior action, hired Independence and Wellington Management to manage mid-cap growth equities, and

WHEREAS, the Board, upon termination of the prior mid-cap growth manager, invested the funds in the mid-cap index account managed by Rhumblin, Therefore Be It

RHUMBLINE

RESOLVED, that the funding of Independence and Wellington Management be sourced from the Rhumbline mid-cap index account, and be it further

RESOLVED, that a copy of this resolution be forwarded to Rhumbline:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 9

NAYS – NONE

CHURCHILL (“CHURCHILL”) MORTGAGE INVESTMENT, LLC
\$3,600,000.00 PROPOSED CONSTRUCTION LOAN
CYPRESS MEADOWS APARTMENTS (MISSISSIPPI)

BY MR. MOORE – SUPPORTED BY MR. ORZECH

WHEREAS, THE BOARD IS IN RECEIPT OF AN OCTOBER 30, 2007 INVESTMENT PROPOSAL BOOKLET FROM CHURCHILL MORTGAGE INVESTMENT, LLC WHICH INCLUDES AN APPARENT TYPOGRAPHICAL ERROR REFERRING THE LOCATION OF THE PROJECT IN DETROIT, MICHIGAN, AND

WHEREAS, THE BOARD’S UNDERSTANDING IS THAT THE PROPOSED CONSTRUCTION LOAN WILL BE STRUCTURED SIMILAR TO OTHER CONSTRUCTION LOAN DOCUMENTATION AND PROCEDURES INVOLVING KEITH GLOECKL WHO IS NOW WITH CHURCHILL, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO THE CONDITIONS OUTLINED IN THE OCTOBER 30, 2007 INVESTMENT PROPOSAL BOOKLET AND SUBJECT TO APPROVAL OF DOCUMENTATION BY ANY SPECIAL LEGAL COUNSEL SELECTED BY THE BOARD (WITH COSTS PAID BY CHURCHILL AND GENERAL COUNSEL), THE PROPOSED CONSTRUCTION LOAN IS HEREBY APPROVED, AND BE IT FURTHER

RESOLVED, THAT CHURCHILL COORDINATE THE COMPLETION OF THE INVESTMENT WITH THE BOARD’S GENERAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO CHURCHILL MORTGAGE INVESTMENT, LLC, ATTENTION: NICHOLAS H.

CHURCHILL (“CHURCHILL”) MORTGAGE INVESTMENT, LLC
\$3,600,000.00 PROPOSED CONSTRUCTION LOAN
CYPRESS MEADOWS APARTMENTS (MISSISSIPPI)

DEGEL AND KEITH J. GLOECKL, AND RETIREMENT SYSTEM ACCOUNTING
STAFF:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, SCOTT AND CHAIRMAN BEST – 9

NAYS – NONE

MMA REALTY CAPITAL
COLUMNS ON WETHERINGTON
TRELLISES APARTMENTS
FLORENCE, KENTUCKY

BY MR. MOORE – SUPPORTED BY MR. MILTON

WHEREAS, MMA REALTY CAPITAL HAS PRESENTED THE BOARD WITH A
NOVEMBER 1, 2007 COMMUNICATION WHEREIN MMA REALTY CAPITAL
REQUESTS THAT THE BOARD APPROVE THE REQUESTS WHICH ARE
REFERENCED BELOW RELATIVE TO THE ABOVE-CAPTIONED MATTER, AND

WHEREAS, THE BOARD HAS DISCUSSED SAID REQUESTS, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES SAID REQUESTS AND THE
APPROPRIATE DOCUMENTS BE EXECUTED, SUBJECT TO LEGAL COUNSEL
APPROVAL, ON BEHALF OF THE RETIREMENT SYSTEM:

REQUESTS:

RE-FINANCE EXISTING FIRST MORTGAGE ON COLUMNS ON
WETHERINGTON APARTMENTS AND TRELLISES APARTMENTS
WITH KEY BANK NATIONAL ASSOCIATION FOR A TOTAL
AMOUNT OF \$37.5 MILLION (ESTIMATED AT \$16 MILLION
FOR COLUMNS ON WETHERINGTON \$21,537,500.00 FOR
TRELLISES

PLACE A “SOFT SECOND” NON-FORECLOSABLE MORTGAGE
IN THE APPROXIMATE TOTAL AMOUNT OF \$13.95 MILLION
(\$8,728,081.00 FOR COLUMNS ON WETHERINGTON
AND \$5,227,799.00 FOR TRELLISES)

MMA REALTY CAPITAL
COLUMNS ON WETHERINGTON
TRELLISES APARTMENTS
FLORENCE, KENTUCKY

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, SCOTT AND CHAIRMAN BEST – 9

NAYS – NONE

MMA REALTY CAPITAL
LETTER OF CREDIT MODIFICATION
WACHOVIA PERMANENT RE-PURCHASE FACILITY

BY MR. ORZECH – SUPPORTED BY MS. FREEMAN

WHEREAS, MMA REALTY CAPITAL HAS PRESENTED THE BOARD WITH A
NOVEMBER 1, 2007 COMMUNICATION WHEREIN MMA REALTY CAPITAL
REQUESTS THAT THE BOARD APPROVE THE REQUEST FOR A LETTER OF CREDIT
MODIFICATION TO DECREASE THE LETTER OF CREDIT TO \$12,504,345.00 AND
\$2,722,500.00, AND

WHEREAS, THE BOARD HAS DISCUSSED SAID REQUEST, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO APPROVAL OF ALL TRANSACTION
DOCUMENTS BY THE BOARD'S LEGAL COUNSEL, THE BOARD HEREBY
APPROVES THE AFORESAID SAID REQUEST AND THE APPROPRIATE
DOCUMENTS BE EXECUTED, SUBJECT TO LEGAL COUNSEL APPROVAL, ON
BEHALF OF THE RETIREMENT SYSTEM:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG, SCOTT AND CHAIRMAN BEST – 9

NAYS – NONE

TRANS-CAPITAL
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. ORZECH – SUPPORTED BY MR. STEWART

Whereas, The Board has had the foregoing investment proposal under
consideration, the basic and general proposed conditions of which are
set forth in previously submitted written materials presented to the Board

TRANS-CAPITAL
\$10,000,000.00 PROPOSED INVESTMENT

and discussed this date and at previous meetings, and to which certain modifications and additional requirements may have been added by the Board or advisors to the Board, per discussion between or with the Board members, and

Whereas, The Board has indicated its willingness to further consider making this proposed investment subject to certain additional terms and modifications of said proposal, which have already been identified by the Board of Trustees, and certain additional terms and modifications which will be required after Joseph Turner, the Board's Special Legal Counsel begins to prepare loan investment documents, and

Whereas, The Board's contingent approval is conditioned upon the Board's receipt of written acknowledgment from Trans-Capital that Trans-Capital has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein, and

Whereas, The Board's contingent approval is also conditioned upon the understanding that the proposed transaction does not contemplate unrelated Business Taxable Income (UBTI) to the Retirement System as Lender, and

Whereas, The Board has selected Joseph Turner as Special Legal Counsel regarding this proposed investment who may submit proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, Therefore Be It

Resolved, That subject to the provisions as stated in this resolution, the Board hereby conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by Trans-Capital and subject to approval of final documents by the Board of Trustees and General Counsel, and be it further

Resolved, That it be expressly understood by all parties that there is no obligation of the Board to make the investment unless final transaction documents are approved as to form and content by the Board and approved as to form by the Board's Legal Counsel and is executed by the Board, Trans-Capital, any Guarantors and other applicable parties, and

TRANS-CAPITAL

\$10,000,000.00 PROPOSED INVESTMENT

subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including legal fees and expenses being paid from an escrow account funded by Trans-Capital or entities other than the Board, and be it further

Resolved, That any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board, the Board's Special Legal Counsel and the Board's General Counsel, and be it further

Resolved, That arrangements be made for Trans-Capital to escrow funds with the Retirement System for payment of all costs and expenses, and be it further

Resolved, That the foregoing is also conditioned upon Trans-Capital paying all costs and expenses of the Board, including legal fees in document preparation even if this proposed investment is not completed or finalized due to Trans-Capital deciding to withdraw the proposal, refusing to execute final documents approved by the Board of Trustees, or for any other reason deciding not to proceed with the transaction, and be it further

Resolved, That a copy of this resolution be forwarded to Trans-Capital and Joseph Turner, the Board's Special Legal Counsel:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE,
ORZECH, PEGG AND STEWART – 8

NAYS – CHAIRMAN BEST – 1

ROBECO ("ROBECO") PRIVATE EQUITY FUND OF FUNDS
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. BEASLEY – SUPPORTED BY MR. MILTON

Whereas, The Board has had the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in previously submitted written materials presented to the Board and discussed this date and at previous meetings, and to which certain

ROBECO ("ROBECO") PRIVATE EQUITY FUND OF FUNDS
\$10,000,000.00 PROPOSED INVESTMENT

modifications and additional requirements may have been added by the Board or advisors to the Board, per discussion between or with the Board members, and

Whereas, The Board has indicated its willingness to further consider making this proposed investment subject to certain additional terms and modifications of said proposal, which have already been identified by the Board of Trustees, and certain additional terms and modifications which will be required after Special Legal Counsel begins to prepare loan investment documents, and

Whereas, The Board's contingent approval is conditioned upon the Board's receipt of written acknowledgment from Robeco that Robeco has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein, and

Whereas, The Board's contingent approval is also conditioned upon the understanding that the proposed transaction does not contemplate unrelated Business Taxable Income (UBTI) to the Retirement System as Lender, and

Whereas, The Board will be selecting Special Legal Counsel regarding this proposed investment who is likely to be submitting proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, Therefore Be It

Resolved, That subject to the provisions as stated in this resolution, the Board hereby conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by Robeco and subject to approval of final documents by the Board of Trustees, and be it further

Resolved, That it be expressly understood by all parties that there is no obligation of the Board to make the investment unless final

ROBECO ("ROBECO") PRIVATE EQUITY FUND OF FUNDS
\$10,000,000.00 PROPOSED INVESTMENT

transaction documents are approved as to form and content by the Board and approved as to form by the Board's Legal Counsel and is executed by the Board, Robeco, any Guarantors and other applicable parties, and subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including legal fees and expenses being paid from an escrow account funded by Robeco or entities other than the Board, and be it further

Resolved, That the Board notes the likelihood of suggested additional changes to the proposal will be made by the Board and any applicable due diligence monitor and/or business advisor and Special Legal Counsel, and be it further

Resolved, That any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board and the Board's Special Legal Counsel, and approval as to form and content by the Board's General Counsel, and be it further

Resolved, That upon the Board selecting Special Legal Counsel regarding this matter, arrangements be made for Robeco to escrow funds for payment of all costs and expenses, and be it further

Resolved, That the foregoing is also conditioned upon Robeco paying all costs and expenses of the Board, including legal fees in document preparation even if this proposed investment is not completed or finalized due to Robeco deciding to withdraw the proposal, refusing to execute final documents approved by the Board of Trustees, or for any other reason deciding not to proceed with the transaction, and be it further

Resolved, That a copy of this resolution be forwarded to Robeco and such Special Legal Counsel as selected by the Board:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE
AND STEWART – 6

NAYS – TRUSTEES ORZECH, PEGG AND CHAIRMAN BEST – 3

TRUSTEE FREEMAN EXCUSED HERSELF FOR THE REMAINDER OF THE MEETING.

SUMMIT-BELMAR DEVELOPMENT GROUP (WATER LOFTS)

BY MR. MILTON – SUPPORTED BY MR. ORZECH

RESOLVED, THAT DWIGHT BELYUE AND ANY ASSOCIATE OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR PRESENTATION PURPOSES:

YEAS – TRUSTEES BANDEMER, BEASLEY, MILTON, MOORE, ORZECH, PEGG, SCOTT AND CHAIRMAN BEST – 8

NAYS – NONE

PARAMOUNT LAND HOLDINGS
\$10,000,000.00 PROPOSED INVESTMENT
SELECTION OF SPECIAL LEGAL COUNSEL

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Whereas, The Board has indicated its interest in making the foregoing investment subject to a number of conditions being met including the approval of final transaction documents after all negotiations are completed by the Board and Special Legal Counsel, and

Whereas, The Board notes that legal services required to prepare the proposed transaction documents for consideration by the Board will be fairly extensive and time-consuming and will require immediate attention, requiring consecutive hours of attention by Special Legal Counsel, and

Whereas, The Board's policy in such cases is to select and retain Special Legal Counsel relative to such investment proposal who will report to the Board's General Counsel and to the Board of Trustees, as appropriate, with fees and expenses of said Special Legal Counsel to be paid for from an escrow account funded by Paramount Land Holdings, and

Whereas, The Board notes the possibility the preliminary legal services regarding the transaction may result in findings that Paramount Land Holdings will not be able to meet the requirement of the Retirement System as Lender/Investor, THEREFORE BE IT

Resolved, That the aforesaid investment proposal be assigned to F. Logan Davidson as Special Legal Counsel, and be it further

PARAMOUNT LAND HOLDINGS
\$10,000,000.00 PROPOSED INVESTMENT
SELECTION OF SPECIAL LEGAL COUNSEL

Resolved, That a further condition of the Board's continued interest in making this investment loan is Paramount Land Holdings providing the Assistant Administrative Supervisor with written confirmation that Paramount Land Holdings acknowledges receipt of this resolution and agrees to the terms therein, and be it further

Resolved, That Special Legal Counsel and the Assistant Administrative Supervisor arrange for an escrow account into which Paramount Land Holdings will provide funds for costs, expenses and legal services, and be it further

Resolved, That Special Legal Counsel submit itemized billings to Paramount Land Holdings with copies to the Retirement System, and be it further

Resolved, That the amount to be escrowed will be mutually determined by Special Legal Counsel and Paramount Land Holdings and will be reported to the Board of Trustees and the escrow may be funded in stages with the understanding that legal services will be performed only to the extent of, and after, the escrow deposit(s), and be it further

Resolved, That a copy of this resolution be provided to Paramount Land Holdings and F. Logan Davidson, the Board's Special Legal Counsel:

YEAS – TRUSTEES BANDEMER, BEASLEY, MILTON, MOORE, ORZECH,
PEGG, STEWART AND CHAIRMAN BEST – 8

NAYS – NONE

CAPRI (URBAN FUND)
\$25,000,000.00 PROPOSED INVESTMENT

BY MR. ORZECH – SUPPORTED BY MR. MILTON

Whereas, The Board has had the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in previously submitted written materials presented to the Board and discussed this date and at previous

CAPRI (URBAN FUND)
\$25,000,000.00 PROPOSED INVESTMENT

meetings, and to which certain modifications and additional requirements may have been added by the Board or advisors to the Board, per discussion between or with the Board members, and

Whereas, The Board has indicated its willingness to further consider making this proposed investment subject to certain additional terms and modifications of said proposal, which have already been identified by the Board of Trustees, and certain additional terms and modifications which will be required after Special Legal Counsel begins to prepare loan investment documents, and

Whereas, The Board's contingent approval is conditioned upon the Board's receipt of written acknowledgment from CAPRI that CAPRI has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein, and

Whereas, The Board's contingent approval is also conditioned upon the understanding that the proposed transaction does not contemplate unrelated Business Taxable Income (UBTI) to the Retirement System as Lender, and

Whereas, The Board has selected Don Wagner as Special Legal Counsel regarding this proposed investment who may submit proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, Therefore Be It

Resolved, That subject to the provisions as stated in this resolution, the Board hereby conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by CAPRI and subject to approval of final documents by the Board of Trustees, and be it further

Resolved, That it be expressly understood by all parties that there is no obligation of the Board to make the investment unless final transaction documents are approved as to form and content by the Board and approved as to form by the Board's Legal Counsel and is executed by the Board, CAPRI, any Guarantors and other applicable parties, and subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including legal fees

CAPRI (URBAN FUND)
\$25,000,000.00 PROPOSED INVESTMENT

and expenses being paid from an escrow account funded by CAPRI or entities other than the Board, and be it further

Resolved, That the Board notes the likelihood of suggested additional changes to the proposal will be made by the Board and any applicable due diligence monitor and/or business advisor and Special Legal Counsel, and be it further

Resolved, That any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board and the Board's Special Legal Counsel, and approval as to form and content by the Board's General Counsel, and be it further

Resolved, That arrangements be made for CAPRI to escrow funds for payment of all costs and expenses of Special Legal Counsel, and be it further

Resolved, That the foregoing is also conditioned upon CAPRI paying all costs and expenses of the Board, including legal fees in document preparation even if this proposed investment is not completed or finalized due to CAPRI deciding to withdraw the proposal, refusing to execute final documents approved by the Board of Trustees, or for any other reason deciding not to proceed with the transaction, and be it further

Resolved, That a copy of this resolution be forwarded to CAPRI and Don Wagner, the Board's Special Legal Counsel:

Yeas – Trustees Bandemer, Beasley, Milton, Moore, Orzech, Pegg,
Stewart and Chairman Best – 8

Nays – None

J. P. MORGAN URBAN RENAISSANCE PROPERTY FUND

BY MR. MILTON – SUPPORTED BY MR. BEASLEY

J. P. MORGAN URBAN RENAISSANCE PROPERTY FUND

Whereas, The Board has been presented with an investment proposal from J. P. Morgan, and

Whereas, The Board desires due diligence on said proposal, Therefore Be It

Resolved, That subject to J. P. Morgan agreeing to pay the costs for said due diligence and said funds being escrowed by J. P. Morgan with the Retirement System, North Point Advisors be engaged to perform due diligence on said proposal and submit their findings (in writing) to the Board, and be it further

Resolved, That the Executive Secretary/Assistant Executive Secretary arrange for the coordination of the foregoing with all applicable parties, and be it further

Resolved, That after receiving a due diligence report, the Board will decide whether it has any continued interest in the proposal, and be it further

Resolved, That a copy of this resolution be forwarded to J. P. Morgan and North Point Advisors:

Yeas – Trustees Bandemer, Beasley, Milton, Moore, Orzech,
Pegg, Stewart and Chairman Best – 8

Nays – None

CONFERENCES

BY MR. MOORE – SUPPORTED BY MR. STEWART

Resolved, That the Board approve the attendance of all Trustees, the Executive Secretary, the Assistant Executive Secretary, General Counsel and Special Legal 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, General Counsel and Special Legal Counsel to attend said conferences:

CONFERENCES

PUBLIC SAFETY PENSION & BENEFITS CONFERENCE
NEVADA
JANUARY 13, 2008 – JANUARY 16, 2008

FIRE & POLICE ACADEMY CONFERENCE
FLORIDA
JANUARY 21, 2008 – JANUARY 24, 2008

GAIM CONFERENCE
FLORIDA
JANUARY 22, 2008 – JANUARY 24, 2008

DIMENSIONAL FUND ADVISORS CONFERENCE
CALIFORNIA
JANUARY 29, 2008 – JANUARY 31, 2008

8TH ANNUAL NATIONAL INSTITUTE ON LABOR LAW AND ARBITRATION
FLORIDA
FEBRUARY 10, 2008 – FEBRUARY 12, 2008

INTERNATIONAL TRUSTEES' & ADMINISTRATORS' CONFERENCE
FLORIDA
FEBRUARY 11, 2008 – FEBRUARY 13, 2008

INTERNATIONAL TRUSTEES' & ADMINISTRATORS' CONFERENCE
FLORIDA
MARCH 10, 2008 – MARCH 11, 2008

INTERNATIONAL TRUSTEES' & ADMINISTRATORS' CONFERENCE
FLORIDA
JUNE 5, 2008 – JUNE 7, 2008

Yeas – Trustees Bandemer, Beasley, Milton, Moore, Orzech,
Pegg, Stewart and Chairman Best – 8

Nays – None

PUBLIC FORUM

AT 3:00 P.M., 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, CHAIRMAN BEST ADJOURNED THE MEETING AT 3:15 P.M. UNTIL THURSDAY, NOVEMBER 15 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