

KILMER BROWNFIELD EQUITY FUND ACQUIRES FORMER GAS STATION FOR REDEVELOPMENT

Toronto, Canada – January 14, 2011 – The Kilmer Brownfield Equity Fund L.P. announced that it recently acquired a former petroleum retail site for redevelopment in downtown Toronto. The Fund, which was established in 2006, is Canada's leading fund dedicated to the redevelopment of brownfield properties in Canada.

In December 2010, the Fund acquired the site, which is located at the corner of Sherbourne Street and Wellesley Street East in downtown Toronto. The site has been used as a service station from the 1930's and is impacted by a variety of contaminants resulting from its former use. The property was acquired jointly with the Whitecastle New Urban Fund L.P., which specializes in urban infill projects, and will be rezoned for high-rise residential use.

The site will be remediated and a Record of Site Condition filed following the amended MOE regulations, which have provisions for the management of environmental impacts in high-density residential settings.

Urban intensification and regeneration have been occurring in the immediate vicinity of the site, which is well-serviced by public transit and bike lanes. The remediation and repositioning of the site represent an opportunity for urban renewal consistent with the objectives of the Province of Ontario's Places to Grow Act.

Currently, the Fund is in the process of redeveloping three other sites, in Toronto, Guelph and Montreal. The Fund is actively examining further brownfield opportunities across Canada.

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ABOUT KILMER:

The Kilmer Brownfield Equity Fund L.P. (<http://www.kilmergroup.com/brownfield/>) is Canada's first private equity investment fund dedicated to the redevelopment of brownfields in Canada. In 2006, the Fund was awarded a *Special Brownie Award* from the Canadian Urban Institute in recognition of its contribution to the advancement of the brownfield industry in Canada.

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