

Hanover Real Estate Partners Summarizes 2009 Business Developments

Greenwich, Connecticut (February 9, 2010) – Hanover Real Estate Partners, a privately held real estate investment company focused on owning, managing and operating institutional grade commercial real estate assets in the United States, today announced a summary of its 2009 business developments. Hanover has maintained its focus on buying and upgrading underperforming assets and demonstrating best practices in building operations and management in order to maximize the value of its properties and attract and retain quality tenants.

Acquisitions

In November 2009, Hanover acquired two commercial office buildings in San Antonio, Texas with an aggregate of 120,000 rentable square feet. Both buildings were previously net leased to a single tenant through July 2009. Hanover has invested a significant amount of capital to upgrade the properties' common areas and base building systems and to convert the buildings from single-tenanted to multi-tenanted occupancies, a key part of Hanover's strategy. The Company has since successfully signed significant leases in excess of 63,000 rentable square feet at both buildings with a number of corporate tenants, including the Art Institute, a division of Education Management Services; Frost Bank; Signtronix and The Benefits Source. Additionally in San Antonio, Hanover purchased a 1.5 acre parking lot to supplement parking.

Leasing

In order to drive occupancy and value, Hanover has invested in building improvements and upgrades at numerous properties to tailor the space to its tenants' needs. In 2009, Hanover successfully attracted new tenants at its properties, for an aggregate of more than 243,000 rentable square feet, including:

- **6 South El Dorado, Stockton, CA**– Hanover successfully restructured a former single-tenant net leased property to multi-tenanted use, attracting a number of prominent law firms and businesses including In-Shape Health Clubs, Inc., a regional chain of health clubs for approximately 34,000 square feet. In-Shape has relocated its corporate headquarters to the top floor of the building and opened a new health club facility on the ground floor. Hanover also executed leases with San Joaquin County Employees' Retirement Association, San Joaquin County Recorder/County Clerk, and several others law firms and businesses.
- **Bank of the West Office/Data Center Building, Concord, CA** - Hanover executed a 55,000 rentable square foot lease with Bank of the West to occupy the entire building at Stanwell Drive in Concord, CA.
- **Marathon Oil Tower, Houston, TX** – Hanover has signed several key leases, including agreements with Stone Partners, Fifth Business, SODEXO and Hurricane Exploration. This property also received a BOMA 360 Performance Designation, a groundbreaking new program

designed to recognize commercial properties that demonstrate best practices in building operations and management.

- **55 East Main Street, New Rochelle, NY** – Hanover has executed a triple net retail lease to a well established restaurant chain to occupy the entire premises of 25,000 square feet.

Sales

- **West Corporation, Niles, OH** – In September, 2009, Hanover sold its 100% net leased 82,000 square foot office building and 8.5 acres of land located in Niles, OH to the Cafaro Company.
- **Live Oak, Florida** – Hanover sold its 100% interest in a freestanding triple net leased Hardee's Restaurant.

CFO Appointment

In September 2009, Hanover announced the appointment of Romano Orlando as CFO, to oversee the day to day management of Hanover's financial reporting and cash management.

Reed Miller, managing partner of Hanover Real Estate Partners, commented: "This past year has been challenging for the real estate industry, though we have been able to stay competitive because of our commitment to our tenants and continuing to drive value to our portfolio. Through a consistent program of building upgrades and improvements we have been able to retain existing tenants and attract new ones by catering to their individual needs."

Added Ken Boyle, managing partner of Hanover Real Estate Partners: "We expect the economic headwinds to continue into much of 2010, though believe our business model positions us well going forward. Our focus on repositioning valuable but underperforming real estate assets will continue to be at the forefront of what we do, and believe there is considerable opportunity to further grow our tenant base by restructuring our current and future assets to better fit the trend towards multi-tenant space. We look forward to working with our partners in our local markets to drive additional tenant opportunities."

About Hanover

Hanover Real Estate Partners specializes in the acquisition, operation and management of institutional real estate assets. Hanover's strength lies in its unique ability to identify and acquire undervalued real estate and reposition and manage those assets to their fullest potential. Using this disciplined yet opportunistic approach, Hanover has consistently provided above average risk-return profiles on its real estate investments for itself and its investors.

Hanover's management team enjoys strong ties to the real estate community, allowing them to not only identify attractive properties, but to develop long lasting relationships with local brokers and management companies. These relationships, coupled with Hanover's strong industry reputation, give the firm a distinct competitive advantage in today's commercial real estate market. Please visit us at www.hanover-partners.com.

Media Contact:

Liz Brady, ICR

646-277-1226

Liz.Brady@icrinc.com