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GROSVENOR SIGNS INNOVATIVE DEAL FOR LIVERPOOL ONE RESIDENTIAL

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Grosvenor has created an innovative agreement with two residential specialists who will lease the five residential blocks embedded above the retail element of Liverpool ONE.

BridgeStreet Worldwide is leasing 78 apartments which will be offered as fully serviced apartments to business and leisure travellers seeking extended stay accommodations.

Plus Dane Group, will undertake a new commercial venture by leasing the remaining 95 apartments in four buildings, at below market rent for key workers using the branded offer 'Liverpool ONE Apartments'.

This combined arrangement will give Liverpool ONE the benefits of low vacancy and strong management control, but most importantly it will ensure a wide variety of largely local residents, giving life to the streets within the scheme at all times of the day.

Chris Taite, the Fund Manager for the Grosvenor Liverpool Fund said:

"Through our experience of Grosvenor's London estate we understand the symbiotic relationship between retail and residential. The residential element within Liverpool ONE brings with it added liveliness and variety to Liverpool's city centre which will help ensure its long term social, and economic success for the benefit of all stakeholders."

Max Thorne, BridgeStreet Worldwide's vice president of development EMEA, added:

"Liverpool is the perfect city to complement BridgeStreet Worldwide's recent expansion throughout the UK. We are delighted to offer our clients serviced apartments in the prestigious Liverpool ONE development."

Ben Clay of Plus Dane said:

"Liverpool One is probably the most exciting development the city has ever seen. These high quality apartments offer a fantastic opportunity for local people and city centre workers to live the Liverpool One experience at a price they can afford."

The 173 apartments in the retail element of the scheme will all be completed by the end of 2008. Liverpool ONE's Grand Opening Event is on 1 October. Liverpool ONE also includes 326 apartments within the Cesar Pelli designed One Park West which will complete spring 2009.

For more information please contact:

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Notes to editor

ABOUT LIVERPOOL ONE

Liverpool ONE is the most important development in Liverpool's city centre for more than 40 years. It will deliver a shopping, residential and leisure environment that few other cities can match.

Covering 42 acres at the heart of the city, Liverpool One is a £1 billion development that will contain over 30 individually designed buildings in five distinct districts, built around the existing streets of Liverpool and each with a different character, offer and design.

Liverpool ONE contains 160 units totalling 1.4 million square feet of retail space, a 14-screen Odeon cinema, 230,000 square feet of restaurants, cafés and bars, together with more than 600 new apartments, two hotels, offices, a revitalised five acre park, and new public transport interchange.

Liverpool ONE is opening in two phases. The first phase opened on May 29 and includes John Lewis, Debenhams, all of South John Street and the western side of Paradise Street. The second phase, which contains Peter's Lane, the eastern side of Paradise Street, Hanover Street and the Park, opens on September 30.

Since 1999, five independent studies have all confirmed the significant unfulfilled demand for retail space in Liverpool. In 2005, for example, Drivers Jonas identified 355 retailers with a requirement for space in the city centre.

Liverpool One reflects consumer and retailer demand, and places Grosvenor and its partners at the forefront of urban regeneration.

Grosvenor Liverpool Fund

Liverpool One is owned by the Grosvenor Liverpool Fund which was established in 2004 to finance the development of the project and provide the vehicle for its long term ownership. Grosvenor is an investor in the fund along with seven co-investor partners. The fund is managed by Grosvenor Investment Management Limited, part of Grosvenor's Fund Management business.

BridgeStreet

BridgeStreet Worldwide is a leading international provider of serviced apartments. BridgeStreet and its Global Alliance Partners offer over 15,000 serviced apartments located throughout the United States and 50 cities internationally. An award winner both in the US and Europe, BridgeStreet properties meet uncompromising standards of quality, comfort and service. For more information about the company visit www.bridgestreet.co.uk.

Plus Dane Group

Plus Dane Group describes its business as that of a 'neighbourhood investor' and strives to improve the quality of life and opportunities available to its residents. Plus Dane Group has over 15,000 homes in ownership and management across Merseyside and Cheshire. The organisation employs over 400 people, has an asset value in excess of £500m, a combined development fund in excess of £210m and a turnover of £45m. See www.neighbourhoodinvestor.com for more information.

Grosvenor

Grosvenor is an international group of property businesses with total assets under management of £12.9bn as at 31 December 2007. We have regional investment and development businesses in Britain & Ireland, the Americas, Continental Europe, Australia and Asia Pacific. Our international fund management business operates across all these markets. Unusually for a private company, Grosvenor publishes a full Annual Report and Accounts, available at www.grosvenor.com.