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FOR IMMEDIATE RELEASE

**LOWE ENTERPRISES ACQUIRES LAND
TO DEVELOP SAWMILL CREEK COMMUNITY**

*New master-planned community located in Palm Coast, Fla. to begin
construction in 2007*

Palm Coast, Fla. (July 17, 2007) Lowe Enterprises, through its subsidiaries Lowe Destination Development (LDD) and Lowe Enterprises Investors (LEI) has acquired 698 acres of land in Palm Coast, Fla. for the development of an upscale residential golf course community. LE purchased the land and existing development rights from ALLETE Properties on behalf of the Lowe Resort Community Fund, a \$108 million discretionary fund involved in development and redevelopment of resort community projects nationwide. LEI is the manager of LRCF and LDD will serve as the developer for the project.

Lowe's development plan for Sawmill Creek includes 1,469 residential housing units, a neighborhood retail and office marketplace and a Jim Furyk Signature golf course, along with a community park and school site. The first phase of development, which is already entitled, includes the construction of 406 residential units, the golf course and clubhouse, and community related amenities and is slated to begin this summer. The golf course is expected to open for play in late 2008. The project is located within Palm Coast Park, a 4700-acre mixed-use, planned development that is expected to include 3,600 residential units and 3.2 million square feet of commercial space.

Sawmill Creek was selected as the name of the community as a reflection of the history of the land on which the community will be developed. In the late 18th century, the property was identified as an ideal place for a mill because of the steep natural banks of Hulett Branch. For the next quarter of a century, Hewitt's Sawmill operated on the site and was the primary provider of wood for construction in and around St. Augustine.

"Sawmill Creek's rich history provides the opportunity to tell a genuine story more than any other community we have developed," said Bob DeVore, president of Lowe Destination Development, Southeast. "Combined with the beautiful surrounding landscape and environment, and an exceptional golf course, Sawmill Creek will be a unique community in Northeast Florida and an ideal place to live.

For additional information regarding Sawmill Creek visit Palm Coast Real Estate located at 1 Old Kings Rd, Palm Coast, FL, call 1-800-441-3044. For information about Lowe Enterprises and its projects, visit www.loweenterprises.com.

Lowe Enterprises Investors and Lowe Destination Development are wholly-owned subsidiaries of Los Angeles-based Lowe Enterprises, a leading national real estate development, investment and management firm. Over the past 35 years, Lowe has developed, acquired or managed more than \$8.5 billion of real estate assets nationwide. Through LEI, its investment management affiliate, the firm currently manages in excess of \$3 billion in real estate assets on behalf of investment clients. Through LDD, the firm's hospitality and resort community development subsidiary, Lowe is currently developing in excess of \$2 billion of resort and resort community properties nationwide, including the Stone Eagle Golf Club in Palm Desert, Calif., the 582-room Terranea Resort in Rancho Palos Verdes, Calif., the 136-unit Stowe Mountain Lodge in Vermont and the 6,000-acre Suncadia Resort near Roslyn, Wash. Lowe Enterprises maintains regional offices in Denver, Irvine, Phoenix, San Francisco, Sacramento and Washington D.C. and project offices nationwide.

ALLETE's corporate headquarters are located in Duluth, Minnesota. ALLETE provides energy services in the upper Midwest and has significant real estate holdings in Florida. More information about the company is available on ALLETE's web site at www.allete.com.

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