



**FOR IMMEDIATE RELEASE**

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## **HORIZON GROUP PROPERTIES SELLS PARCEL FOR TACO BELL\ KENTUCKY FRIED CHICKEN RESTAURANT**

(Fruitport Township, MI – March 08, 2007) --- Horizon Group Properties, Inc. (OTC:HGPI.pk) an owner, operator and developer of factory outlet and power centers, announced the Company has sold a 1.1 acre parcel of vacant land in Fruitport Township, Michigan to Chicago Diversified Foods Corp., a YUM Brands franchisee and operator of Taco Bell, Kentucky Fried Chicken, and other convenience, service oriented restaurants. The parcel is located on Sternberg Road near the entrance of The Lakes Mall, a 700,000 square foot regional mall that includes JC Penney's, Sears, and Youngkers among its tenants.

Chicago Diversified Foods Corp. will soon commence construction of a combined Taco Bell and Kentucky Fried Chicken restaurant scheduled to open in the Summer 2007. A road to service the restaurant and five adjacent 1-acre parcels, that are on the market for sale, is currently under construction.

HGP is currently offering for sale other parcels of land in the area. In addition to the five outlots there is a 40-acre parcel on Sternberg Road adjacent to The Lakes Mall, and a 53-acre parcel on Harvey Street adjacent to a recently opened Meijer store and across from Lakeshore Marketplace, where a Target Superstore is scheduled to open in 2007. Thomas

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Rumptz, Senior Vice President of HGP is directing the sale of these properties and was also responsible for the sale to Chicago Diversified Foods Corp.

"The properties owned by Horizon are located in this vibrant retail corridor strategically positioned to be the primary shopping alternative for consumers in the North Ottawa/Muskegon County area said Gary J. Skoien, Chairman, President and Chief Executive Officer of Horizon Group Properties. "These parcels are situated to capture the area's growth based on their proximity to The Lakes Mall, Lakeshore Marketplace, and the new Meijer and Target stores."

Based in Rosemont, Illinois, Horizon Group Properties, Inc. is the owner and developer of factory outlet shopping centers and developer of a master planned community in suburban Chicago.

*Safe Harbor Statement: The statements contained herein, which are not historical facts, are forward-looking statements based upon economic forecasts, budgets, and other factors which, by their nature, involve known risks, uncertainties and other factors which may cause the actual results, performance or achievements of Horizon Group Properties, Inc. to be materially different from any future results implied by such statements. In particular, among the factors that could cause actual results to differ materially are the following: business conditions and the general economy, competitive factors, interest rates and other risks inherent in the real estate business. For further information on factors which could impact the Company and the statements contained herein, reference is made to the Company's filings with the Securities and Exchange Commission.*