

PRESS RELEASE

MUSEO

**Greystar and Carlyle Acquire Luxury Apartment Community in the Arboretum — Austin, Texas**

Austin, Texas — Greystar and an affiliate of Carlyle Realty Partners V, LP are pleased to announce their joint venture acquisition of a 276-unit luxury garden-style apartment community located in Austin's Arboretum area. The transaction closed in October of 2008.

Built in 1994, Museo (formerly Gables Great Hills) enjoys a beautiful Texas Hill Country location with all of the benefits of the Arboretum. Acquired at a significant discount to current replacement costs, there are considerable opportunities to increase asset value through common area improvements, interior upgrades and a unique marketing strategy. Greystar's strong management presence in the Northwest submarket assisted in identifying the opportunity and gave key insight into market inefficiencies. During extreme financial volatility, Greystar Investment Group was able to gain control of the asset that fell out of contract several times, negotiate a significant price discount and capitalize the transaction with Carlyle Realty Partners V, LP as the equity partner and Freddie Mac as the debt provider. Greystar will leverage its deep talent pool in Austin for increased management performance and successful renovation execution. It currently owns 578 units in Austin, with 9,154 total units under management. Greystar owns a \$1.5 Billion portfolio of 12,000 units across 15 different markets across the United States.

"We are thrilled to acquire such a unique property. The Arboretum/Domain area with its convenient access to 183, Loop 360, and Mopac is quietly transforming into a true urban core, and although *supply is a concern in much of Austin, this area has relatively few properties under development*" says Kevin Kaberna, Greystar Investment Principal

Greystar is a fully integrated real estate investment and services company that offers expertise in multifamily management, development and investment throughout the United States. Since inception, Greystar has made investments of over \$3.1 billion and has an annual development pipeline of more than \$500 million. Its property management division has approximately 142,755 residences under management in 29 states throughout the US. Further information can be found on at www.greystar.com.