

**From:** Whitestone, Randall B <randall.whitestone@lehman.com>  
**Sent:** Sunday, August 5, 2007 3:21 PM (GMT)  
**To:** Berkenfeld, Steven <sberkenf@lehman.com>; Walsh, Mark <mawalsh@lehman.com>  
**Cc:** Burns, Hannah <Hannah.Burns@lehman.com>; Cohen, Kerrie <kacohen@lehman.com>; Finnegan, Brian <brfinneg@lehman.com>; Lazarus, David S <david.lazarus@lehman.com>  
**Subject:** Archstone--Limited Background Media Talking Points  
**Attach:** Archstone Amendment.doc

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Steven/Mark,

Attached and below are some very limited talking points for Archstone-Smith, per my conversation with Steven.

I am out of pocket from 2 to 4 today but am otherwise reachable and will touch base with you both later this afternoon.

Best,

Randy

<<Archstone Amendment.doc>>

Archstone-Smith August Communications Plan

Situation:

- \* Archstone-Smith has amended its May 28 merger agreement regarding its acquisition by an entity controlled by affiliates of Tishman Speyer Real Estate Venture VII, L.P., and Lehman Brothers Holdings Inc.
- \* The amendment removes the requirement that the merger be consummated during the period beginning Aug. 15 and ending Oct. 4
- \* The merger is expected to be consummated on or around Oct. 5
- \* The Amendment does not change the consideration to be received by holders of Archstone-Smith's common shares
- \* A special Archstone-Smith common shareholders meeting to approve the merger has been scheduled for Tuesday, Aug. 21 at 12:00 p.m. in Denver, Colorado
- \* The transaction is being financed with equity provided by Tishman Speyer, with the balance of the debt and equity capital provided and arranged by Lehman, Banc of America and Barclays
- \* Archstone-Smith is leading the communications around transaction

Strategy:

- \* Press calls seeking on the record comment to be referred to Gerald R. Morgan of Archstone-Smith (800-982-9293 or 303-708-5959)
- \* Extremely limited background talking points below to be provided to reporters who agree not to attribute any comment to Lehman Brothers
- \* Lehman Brothers to decline comment on the record
- \* All calls to Randy Whitestone at 212-526-0542

Q&A

On Background

1. What is happening? Is there a problem with the transaction?

\* There is no change in the consideration in the transaction. The only change is in some of the mechanics of the transaction.

\* We would refer you to Archstone-Smith which issued the press release

Deep background:

\* There are obvious issues in the capital markets

\* We have every expectation that this deal will be consummated

\* The press release states, as typical in almost any merger, that Archstone-Smith cannot give assurances that shareholders will approve the transaction or that all of the conditions will be met.

2. Can you provide more information on exact reasons for and who sought a delay?

\* We would refer you to Archstone-Smith which issued the press release

3. What were the original terms of the transaction? What has changed?

\* We would refer you to Archstone-Smith which issued the press release