

April 28, 2008

Tishman Speyer, Archstone-Smith, And Related Entity Ratings Lowered, Then Withdrawn

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NEW YORK (Standard & Poor's) April 28, 2008--Standard & Poor's Ratings Services today lowered its corporate credit ratings on privately held Tishman Speyer Archstone-Smith Multifamily Guarantor L.P., Tishman Speyer Archstone-Smith Multifamily Parallel Guarantor LLC, and operating subsidiary Archstone-Smith Operating Trust to 'B' from 'BB-'. Additionally, we revised our outlook on the companies to negative from stable. At the same time, we lowered our ratings on the operating subsidiary's \$5.5 billion secured credit facility to 'B', but we did not change the assigned recovery rating of '4'. This rated debt is part of a larger financing package that enabled the leveraged buyout of Archstone-Smith (previously a public real estate investment trust) in October 2007. After taking these rating actions, we withdrew all of the Tishman Speyer-related ratings at the company's request (see list).

The rating actions and negative outlook revision prior to the rating withdrawals reflected the impact of the currently more challenging credit market environment, which has slowed asset sales and, we believe, could hinder the company's ability to dispose of assets in as profitable and timely a fashion as it had initially envisioned. This could, in turn, weigh on the company's already weak financial profile, as the aggressive disposition of assets is critical for deleveraging the balance sheet and for ultimately repaying rated bank debt, which currently comes due between 2011 and 2012. The slower disposition pace could also result in faster depletion of the initial

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(three-year) interest reserve that the company established to meet its quarterly debt service obligations.

Archstone-Smith Operating Trust continues to control a substantial portfolio of well-occupied, high-quality apartment communities in the U.S. and Germany. For a more detailed description of the October 2007 leveraged acquisition of Archstone-Smith Operating Trust and our initial ratings on the company's secured bank debt, please see the article titled "Various Rating Actions Taken on Archstone-Smith Operating Trust After Close of Merger," published Oct. 9, 2007, on RatingsDirect.

RATINGS LOWERED AND SUBSEQUENTLY WITHDRAWN

Tishman Speyer Archstone-Smith Multifamily Guarantor L.P./
Tishman Speyer Archstone-Smith Multifamily Parallel Guarantor LLC/
Archstone-Smith Operating Trust

	Rating		
	To (final)	To (interim)	From
Corporate credit	NR	B/Negative/--	BB-/Stable/--
Secured credit facility	NR	B (Recov rtg:4)	BB- (Recov rtg: 4)

Complete ratings information is available to subscribers of RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis, at www.ratingsdirect.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com; select your preferred country or region, then Ratings in the left navigation bar, followed by Credit Ratings Search.

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