

**From:** Cohen, Jonathan <jonathan.cohen@lehman.com>  
**Sent:** Tuesday, July 3, 2007 12:40 PM (GMT)  
**To:** Cyrus, Keith <keith.cyrus@lehman.com>  
**Subject:** RE: Archstone article

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then I love it too.

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From: Cyrus, Keith  
Sent: Tuesday, July 03, 2007 8:26 AM  
To: Cohen, Jonathan  
Subject: RE: Archstone article

nope, we love it

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From: Cohen, Jonathan  
Sent: Tuesday, July 03, 2007 8:26 AM  
To: Cyrus, Keith  
Subject: RE: Archstone article

with no guarantee, different thought?

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From: Cyrus, Keith  
Sent: Tuesday, July 03, 2007 8:25 AM  
To: Cohen, Jonathan

Subject: RE: Archstone article

these buyers are making the wrong bet - we are definitely not walking away from a \$1,250 guarantee -

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From: Cohen, Jonathan  
Sent: Tuesday, July 03, 2007 8:17 AM  
To: Cyrus, Keith  
Subject: FW: Archstone article

I doubt you all have same worries, but as I start to get asked about this, what is the business' response?

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From: Yu, Anna  
Sent: Monday, July 02, 2007 4:40 PM  
To: Spahr, Eric; Goodman, Jeffrey; Luken, Patricia; Cohen, Jonathan; Kebede, Abebual A  
Subject: FW: Archstone article

fyi

Alltel, Archstone Investors Get Credit Willies  
Posted by Dana Cimilluca

A few private-equity firms may be getting a case of buyers remorse. The gap between the offering price and the current share price in a number of large agreed-upon leveraged buyouts is swelling. That indicates a fear on the part of merger investors that the private-equity acquirers may end up walking away from the deals or negotiating a lower price.

In the case of apartment owner Archstone-Smith Trust, the so-called arbitrage spread has soared to 20.47%, according to <http://lbo.djnewsletters.com/exclusives.asp?s=DEALBOOK&sid=NOQPNMPKKOI> this Dow Jones Newswires column. Meanwhile, computer reseller CDW offers an annualized return of 13.03% for those investors willing to bet that its private-equity sale will go through.

Another big leveraged buyout that has caught Deal Journal's eye is Alltel. The mobile-phone company agreed in May to be bought by private-equity duo Goldman Sachs and TPG for about \$27 billion, or

\$71.50 a share. While the stock quickly ran up to \$69.60, it has since fallen more than \$2 to close at \$67.55 Friday. Given that the deal is expected to close in about six months, that is a spread of nearly 12% in its own right. (To be sure, part of the decline in the stock could reflect a growing realization among investors that a competing bid isn't likely to emerge.)