

DRAFT

Confidential Presentation to:

Project Easy Living

SPEYER

Discussion / Valuation Materials

May 21, 2007

LEHMAN BROTHERS

Table of Contents

- I. Valuation Overview
- II. Precedent Merger Terms
- III. Q1 Update

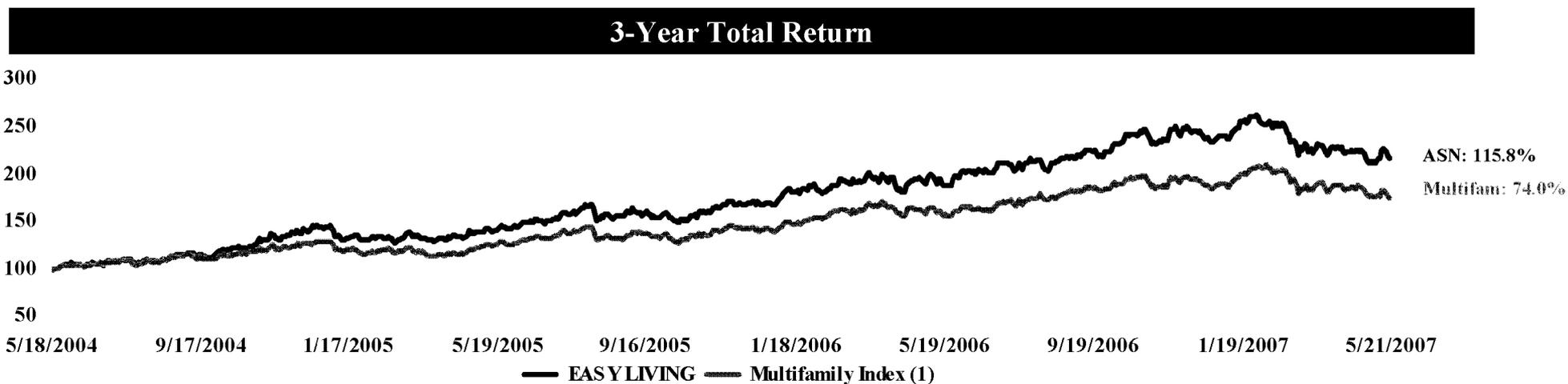
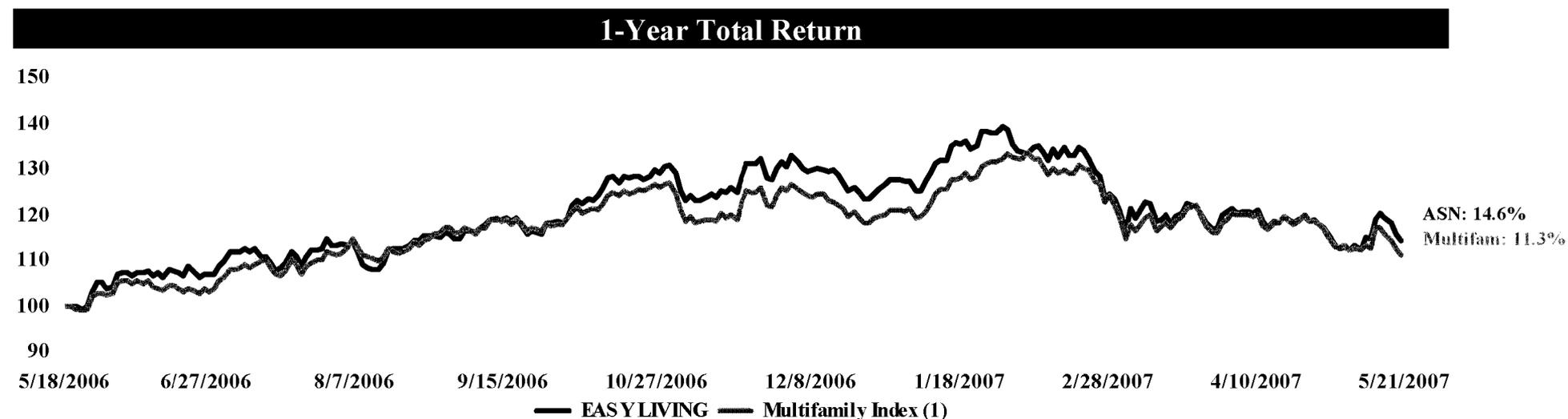
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I. Valuation Overview

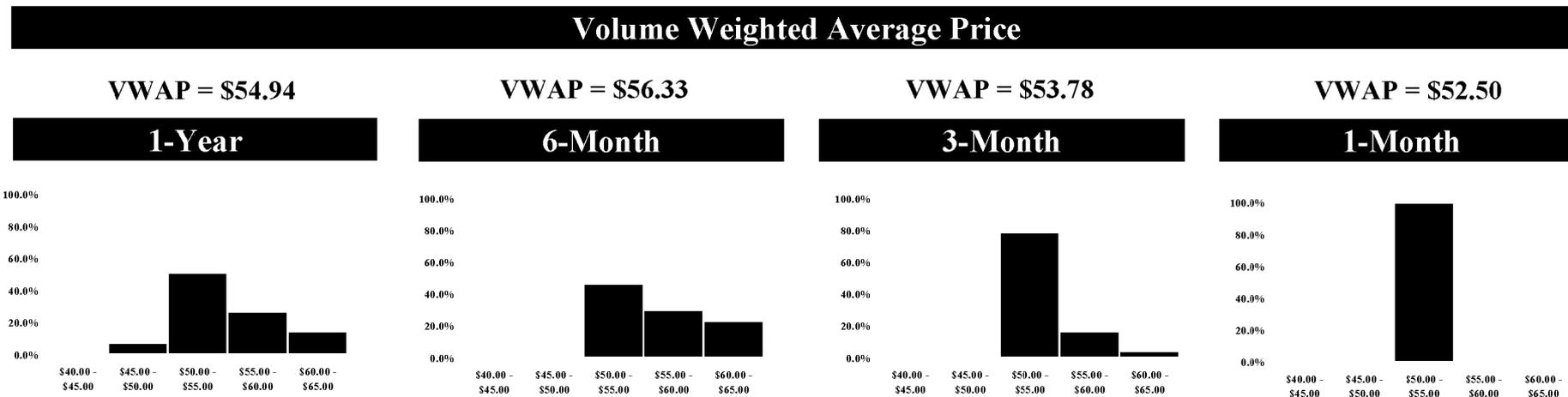
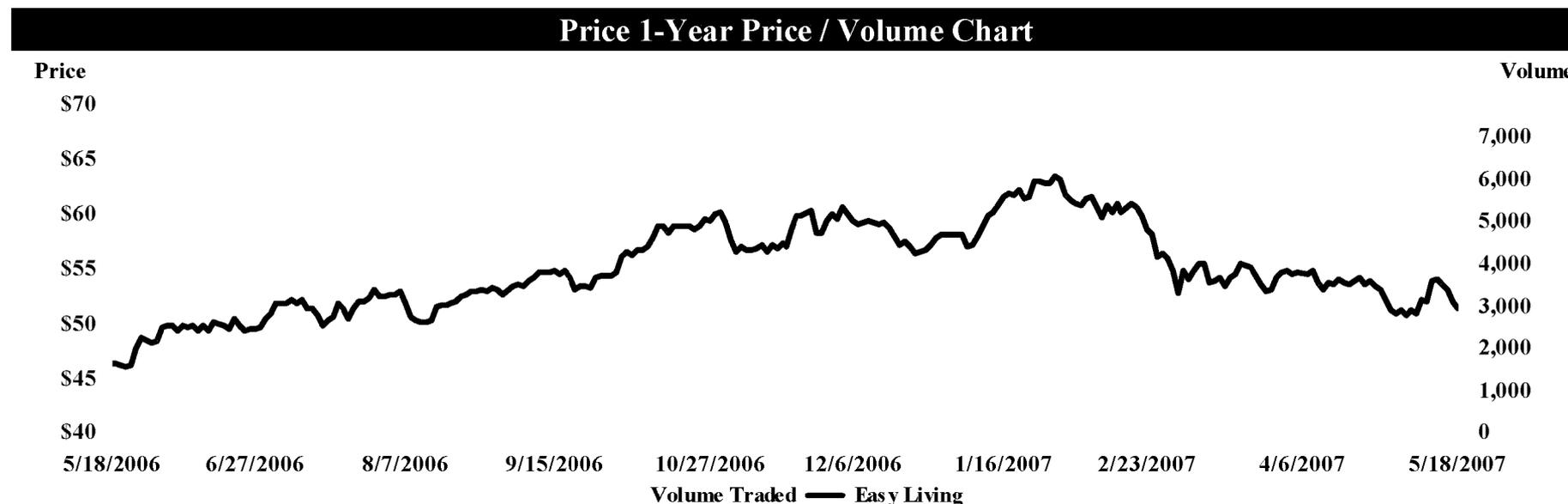
Easy Living Relative Share Price Performance

Easy Living has consistently generated above average returns for its investors



(1) I/B/E/S mean consensus estimate.
 (2) SNL mean consensus estimate.
 (3) Multifamily universe include: AIV, AEC, AVB, BRE, CPT, EQR, ESS, HME, MMA, PPS and UDR.

The VWAP Over the Last Year is ~\$55 per Share



Source: FactSet.

Easy Living Trading Overview

Volume and Value of Shares Trading Above \$60.00

(\$ in millions)

YTD (As of 1/3/2007)							3 Months (As of 2/15/2007)						
Price Range	Volume	\$ Value (1)	% Vol	% Cum	% SO	% SO	Price Range	Volume	\$ Value (1)	% Vol	% Cum	% SO	% SO
\$60.00 - \$60.50	3,535	\$213.0	8.3%	8.3%	1.4%	1.4%	\$60.00 - \$60.50	1,381	\$83.2	27.1%	27.1%	0.6%	0.6%
\$60.50 - \$61.00	10,994	667.9	25.7%	34.0%	4.4%	5.8%	\$60.50 - \$61.00	3,717	225.8	72.9%	100.0%	1.5%	2.0%
\$61.00 - \$61.50	7,525	460.9	17.6%	51.6%	3.0%	8.8%	\$61.00 - \$61.50	0	0.0	0.0%	100.0%	0.0%	2.0%
\$61.50 - \$62.00	11,248	694.6	26.3%	77.9%	4.5%	13.3%	\$61.50 - \$62.00	0	0.0	0.0%	100.0%	0.0%	2.0%
\$62.00 - \$62.50	891	55.5	2.1%	80.0%	0.4%	13.7%	\$62.00 - \$62.50	0	0.0	0.0%	100.0%	0.0%	2.0%
\$62.50 - \$63.00	2,309	144.9	5.4%	85.4%	0.9%	14.6%	\$62.50 - \$63.00	0	0.0	0.0%	100.0%	0.0%	2.0%
\$63.00 - \$63.50	6,227	393.8	14.6%	100.0%	2.5%	17.1%	\$63.00 - \$63.50	0	0.0	0.0%	100.0%	0.0%	2.0%
\$63.50 - \$64.00	0	0.0	0.0%	100.0%	0.0%	17.1%	\$63.50 - \$64.00	0	0.0	0.0%	100.0%	0.0%	2.0%
\$64.00 - \$64.50	0	0.0	0.0%	100.0%	0.0%	17.1%	\$64.00 - \$64.50	0	0.0	0.0%	100.0%	0.0%	2.0%
\$64.50 - \$65.00	0	0.0	0.0%	100.0%	0.0%	17.1%	\$64.50 - \$65.00	0	0.0	0.0%	100.0%	0.0%	2.0%
Total	42,729	\$2,630.5	100.0%	-	17.1%	-	Total	5,098	\$309.0	100.0%	-	2.0%	-

6 Months (As of 11/15/2006)							Last Twelve Months						
Price Range	Volume	\$ Value (1)	% Vol	% Cum	% SO	% SO	Price Range	Volume	\$ Value (1)	% Vol	% Cum	% SO	% SO
\$60.00 - \$60.50	4,980	\$300.0	11.1%	11.1%	2.0%	2.0%	\$60.00 - \$60.50	7,184	\$432.8	15.2%	15.2%	2.9%	2.9%
\$60.50 - \$61.00	11,804	717.1	26.2%	37.3%	4.7%	6.7%	\$60.50 - \$61.00	11,804	717.1	25.0%	40.2%	4.7%	7.6%
\$61.00 - \$61.50	7,525	460.9	16.7%	54.0%	3.0%	9.7%	\$61.00 - \$61.50	7,525	460.9	15.9%	56.2%	3.0%	10.6%
\$61.50 - \$62.00	11,248	694.6	25.0%	79.0%	4.5%	14.2%	\$61.50 - \$62.00	11,248	694.6	23.8%	80.0%	4.5%	15.1%
\$62.00 - \$62.50	891	55.5	2.0%	81.0%	0.4%	14.6%	\$62.00 - \$62.50	891	55.5	1.9%	81.9%	0.4%	15.4%
\$62.50 - \$63.00	2,309	144.9	5.1%	86.2%	0.9%	15.5%	\$62.50 - \$63.00	2,309	144.9	4.9%	86.8%	0.9%	16.4%
\$63.00 - \$63.50	6,227	393.8	13.8%	100.0%	2.5%	18.0%	\$63.00 - \$63.50	6,227	393.8	13.2%	100.0%	2.5%	18.8%
\$63.50 - \$64.00	0	0.0	0.0%	100.0%	0.0%	18.0%	\$63.50 - \$64.00	0	0.0	0.0%	100.0%	0.0%	18.8%
\$64.00 - \$64.50	0	0.0	0.0%	100.0%	0.0%	18.0%	\$64.00 - \$64.50	0	0.0	0.0%	100.0%	0.0%	18.8%
\$64.50 - \$65.00	0	0.0	0.0%	100.0%	0.0%	18.0%	\$64.50 - \$65.00	0	0.0	0.0%	100.0%	0.0%	18.8%
Total	44,984	\$2,766.8	100.0%	-	18.0%	-	Total	47,188	\$2,899.6	100.0%	-	18.8%	-

Note: Based on closing stock prices.

(1) Based on median price in the range.

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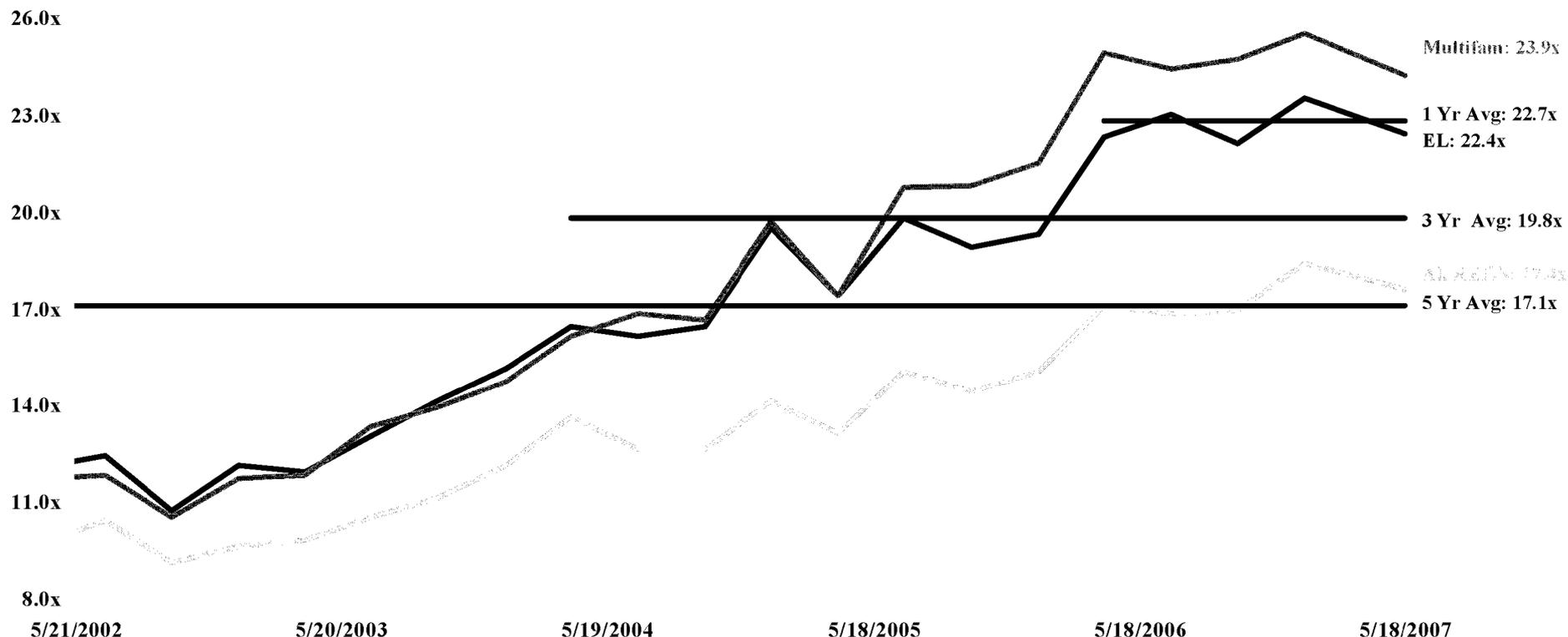
3

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Historical Forward FFO Multiples

Easy Living is currently trading at a premium to the REIT average and a slight discount to the multifamily average

Five Year Historical Forward FFO Multiples



	Multiples					
	Current	3 Mo Avg	6 Mo Avg	1 Yr Avg	3 Yr Avg	5 Yr Avg
EASY LIVING ("EL")	22.4x	23.0x	22.7x	22.7x	19.8x	17.1x
<i>Prem. / (Disc.) to Primary Comps</i>	<i>(6.5%)</i>	<i>(8.1%)</i>	<i>(8.9%)</i>	<i>(8.6%)</i>	<i>(6.1%)</i>	<i>(3.9%)</i>
Multifamily Average	23.9x	25.0x	24.9x	24.8x	21.0x	17.8x
All REIT Average	17.4x	17.9x	17.6x	17.3x	15.2x	13.3x

(1) Primary Multifamily comps includes AVB, BRE, ESS and PPS.

Analysis at Various Prices

Easy Living Valuation Matrix

(\$ in thousands, except per share data)

Share Price as of 5/18/2007	\$51.43	\$60.00	\$61.00	\$62.00	\$63.00	\$64.00	\$65.00
1-Day Premium (\$51.43)		16.7%	18.6%	20.6%	22.5%	24.4%	26.4%
Premium to Share Price as of 5/01/2007 (\$51.25)		17.1%	19.0%	21.0%	22.9%	24.9%	26.8%
Premium to 20 day Average (\$52.29)		14.7%	16.7%	18.6%	20.5%	22.4%	24.3%
Premium to 60 day Average (\$53.49)		12.2%	14.0%	15.9%	17.8%	19.6%	21.5%
Premium to 52 week High (\$64.77)		(7.4%)	(5.8%)	(4.3%)	(2.7%)	(1.2%)	0.4%
Premium to 52 week Low (\$45.63)		31.5%	33.7%	35.9%	38.1%	40.3%	42.5%
Diluted Shares	250,860	251,058	251,078	251,097	251,115	260,172	260,189
Equity Value	\$12,901.7	\$15,063.5	\$15,315.8	\$15,568.0	\$15,820.2	\$16,651.0	\$16,912.3
Net Debt + Preferred	6,964.6	6,964.6	6,964.6	6,964.6	6,964.6	6,389.6	6,389.6
Enterprise Value	\$19,866.3	\$22,028.1	\$22,280.4	\$22,532.6	\$22,784.9	\$23,040.6	\$23,301.9
Dividend Yield	\$1.81	3.5%	3.0%	3.0%	2.9%	2.9%	2.8%
EBITDA ⁽¹⁾							
2007E (Street)	\$761.8	26.1x	28.9x	29.2x	29.6x	29.9x	30.2x
2008E (Street)	847.7	23.4x	26.0x	26.3x	26.6x	26.9x	27.2x
FFO ⁽¹⁾							
2007E (Street)	\$2.30	22.4x	26.1x	26.5x	27.0x	27.4x	27.8x
2007E (Company)	2.29	22.5x	26.2x	26.6x	27.1x	27.5x	27.9x
2008E (Street)	2.49	20.7x	24.1x	24.5x	24.9x	25.3x	25.7x
Value per Unit	\$276.2	\$306.3	\$309.8	\$313.3	\$316.8	\$320.3	\$324.0
Implied Capitalization Rate (After Transaction Fees)	4.53%	4.02%	3.97%	3.91%	3.87%	3.71%	3.67%

Note: Diluted shares excluded unvested RSU's. Enterprise value is not Pro Forma for the Werner transaction, which has not yet been publicly disclosed.

(1) Source: FactSet based on I/B/E/S consensus.

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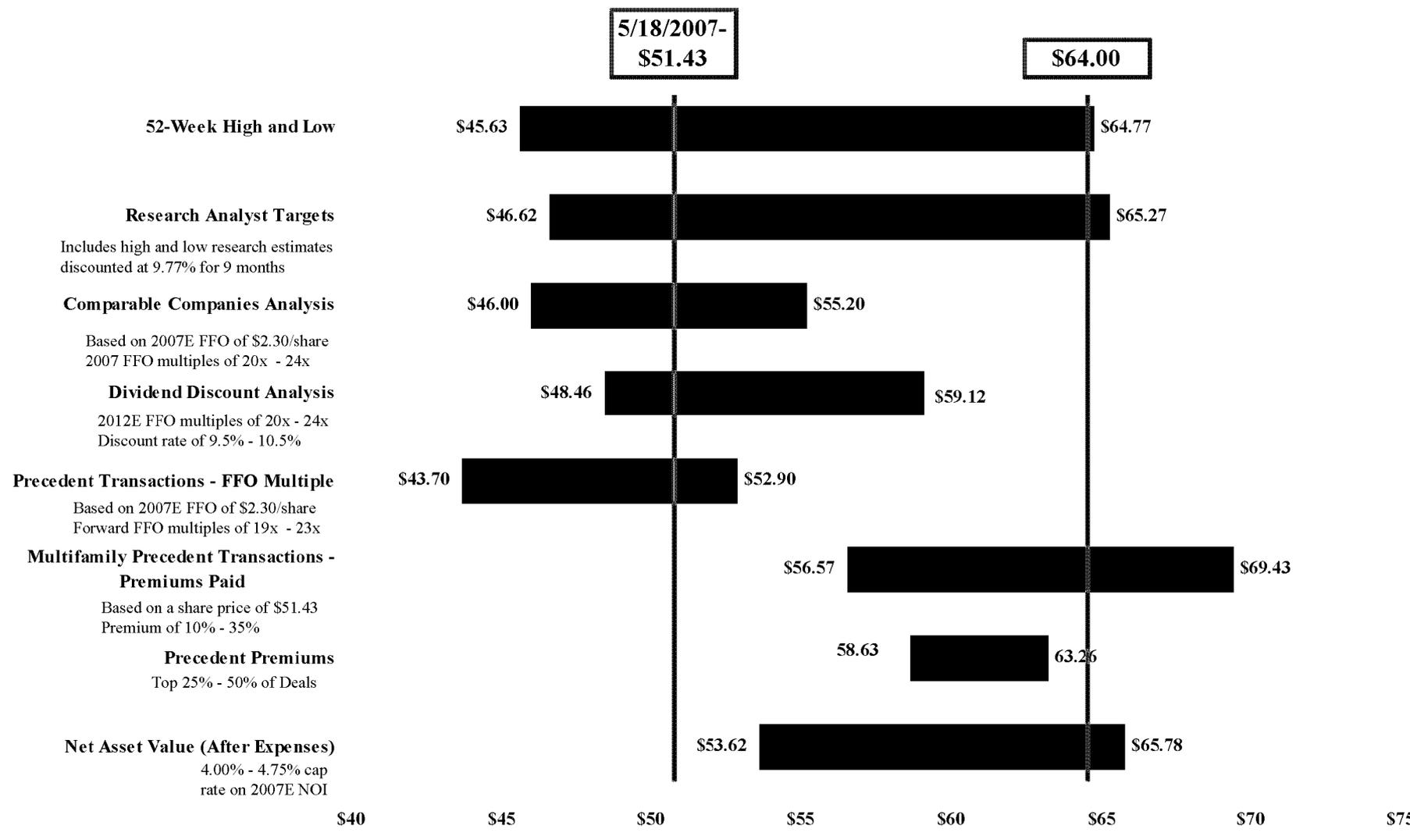
5



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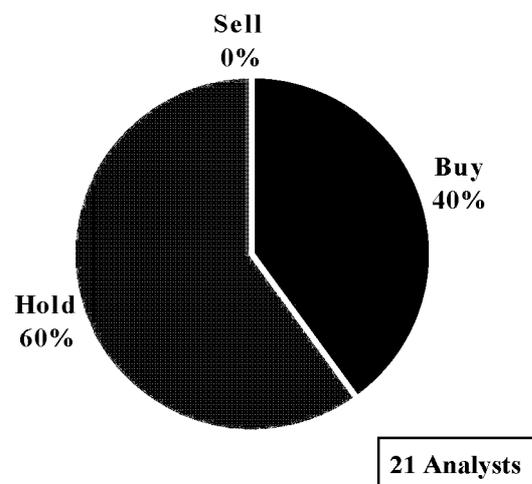
Valuation Summary

Valuation Summary - \$/Share



Equity Research Summary

Easy Living



Summary Analyst Coverage

Firm	Recommendation	Last		%	Discounted		NAV	%	FFO Estimates	
		Confirmed	Target Price		Target Price ⁽¹⁾	Premium			2007E	2008E
A.G. Edwards	-	05/10/2007	-	-	-	-	-	-	\$2.30	\$2.49
Banc of America	Buy / Buy	05/13/2007	\$65.00	26.4%	\$60.61	\$57.59	12.0%	\$2.38	\$2.58	
BB&T Capital Markets	Buy / Buy	02/06/2007	\$70.00	36.1%	\$65.27	\$59.50	15.7%	\$2.28	\$2.48	
Bear Stearns	Outperform / Buy	05/10/2007	\$59.00	14.7%	\$55.02	\$48.92	(4.9%)	\$2.30	\$2.45	
BMO Capital Markets	Market Perform / Hold	02/06/2007	\$58.00	12.8%	\$54.08	\$49.19	(4.4%)	\$2.26	\$2.44	
Citigroup	Hold / Hold	05/09/2007	\$66.00	28.3%	\$61.54	-	-	\$2.24	\$2.45	
Credit Suisse	Neutral / Hold	03/06/2007	\$50.00	(2.8%)	\$46.62	-	-	\$2.28	\$2.54	
Deutsche Bank	Hold / Hold	05/09/2007	\$60.00	16.7%	\$55.95	-	-	\$2.32	\$2.60	
Friedman Billings Ramsey	Outperform / Buy	05/09/2007	\$63.00	22.5%	\$58.75	\$57.20	11.2%	\$2.35	\$2.55	
Goldman Sachs	Neutral / Hold	05/10/2007	\$60.00	16.7%	\$55.95	\$62.00	20.6%	\$2.31	\$2.48	
Green Street Advisors	Buy / Buy	2006 YE	-	-	-	\$58.67	14.1%	-	-	
J.P. Morgan	Neutral / Hold	05/04/2007	-	-	-	\$56.77	10.4%	\$2.30	\$2.50	
KeyBanc	Hold / Hold	05/14/2007	-	-	-	\$49.16	(4.4%)	\$2.33	\$2.56	
Lehman Brothers	Equal-Weight / Hold	05/10/2007	\$54.00	5.0%	\$50.35	\$52.50	2.1%	\$2.25	\$2.45	
Merrill Lynch	Buy / Buy	05/09/2007	\$62.00	20.6%	\$57.81	\$58.82	14.4%	\$2.29	\$2.47	
Morgan Stanley	Equal-Weight / Hold	05/10/2007	\$60.00	16.7%	\$55.95	-	-	\$2.30	\$2.42	
Raymond James	Outperform / Buy	05/10/2007	\$58.00	12.8%	\$54.08	\$51.76	0.6%	\$2.31	\$2.52	
RBC Capital Markets	Outperform / Buy	05/11/2007	\$66.00	28.3%	\$61.54	\$57.90	12.6%	\$2.27	\$2.51	
Stifel Nicolaus	Hold / Hold	05/15/2007	-	-	-	\$57.00	10.8%	\$2.28	\$2.47	
UBS Securities	Neutral / Hold	05/10/2007	\$60.00	16.7%	\$55.95	\$56.00	8.9%	\$2.32	\$2.47	
Wachovia Securities	Market Perform / Hold	05/10/2007	\$56.00	8.9%	\$52.22	-	-	\$2.26	\$2.50	
Mean			\$60.44	17.5%	\$56.36	\$55.53	8.0%	\$2.30	\$2.50	
Median			\$60.00	16.7%	\$55.95	\$57.00	10.8%	\$2.30	\$2.49	

(1) Represents price target discounted at Easy Living's cost of equity (9.77%) for 9 months.

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7

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Comparable Company Analysis

Multifamily REIT Universe

(\$ in thousands, except per share amounts)

Company	Ticker	Price 5/18/07	Dividend Yield	Capitalization		Leverage		Trading		Valuation (3)		Implied Cap Rate	
				Equity Mkt. Cap.	Enterprise Value (1)	Net Debt / EV	Net Debt + Pref. / EV	FFO Multiples (2) 2007	FFO Growth 06-07	FFO Growth 07-08	Per Unit		
Primary (>20.0x 2008E FFO)													
Avalon Bay	AVB	\$116.29	2.8%	\$9,276,382	\$11,944,834	21.5%	22.3%	24.1x	22.0x	10.3%	9.5%	\$295.5	4.5%
Equity Residential	EQR	\$46.14	3.9%	14,306,089	23,127,308	36.4%	38.1%	20.0x	18.5x	1.8%	8.2%	\$210.7	5.4%
Essex Property Trust	ESS	119.23	3.0%	3,095,449	4,928,471	31.0%	37.2%	21.5x	20.7x	10.6%	4.2%	\$210.7	5.0%
Post Properties	PPS	47.26 (4)	3.4%	2,322,338	3,470,265	30.3%	33.1%	23.9x	22.6x	5.9%	5.6%	\$164.3	5.3%
BRE Properties	BRE	58.20	3.5%	3,001,723	5,045,413	35.6%	40.5%	22.1x	19.9x	(1.5%)	11.0%	\$226.5	4.9%
Mean - Primary Comps			3.3%			31.0%	34.3%	22.3x	20.7x	5.4%	7.7%	\$221.5	5.0%
Median - Primary Comps			3.4%			31.0%	37.2%	22.1x	20.7x	5.9%	8.2%	\$210.7	5.0%
Secondary													
Camden Property Trust	CPT	69.02	3.8%	\$4,309,816	\$7,059,720	37.5%	39.0%	18.2x	16.9x	(2.3%)	7.9%	\$126.7	5.6%
AIMCO	AIV	51.96	4.4%	5,557,434	12,387,844	47.8%	55.1%	15.7x	14.5x	8.1%	8.1%	\$96.1	6.6%
Home Properties	HME	53.11	4.7%	2,484,856	4,668,447	46.8%	46.8%	16.6x	15.4x	3.9%	8.2%	\$135.0	6.0%
United Dominion	UDR	28.37	4.5%	4,027,729	7,729,083	44.9%	47.9%	15.4x	14.3x	9.5%	7.6%	\$115.1	5.9%
Mid America	MAA	53.66	4.4%	1,484,880	2,829,055	41.6%	47.5%	15.3x	14.2x	5.4%	8.0%	n/a	n/a
Associated Estates	AEC	15.03	4.4%	264,148	809,999	60.2%	67.4%	13.7x	12.2x	n/a	11.8%	\$67.9	7.3%
Mean - Multifamily Sector			3.9%			39.5%	43.7%	18.9x	17.5x	4.8%	8.0%	\$162.3	5.6%
Median - Multifamily Sector			3.9%			37.0%	39.7%	19.1x	17.7x	5.4%	8.1%	\$164.3	5.4%
Archstone Smith Trust		\$51.43	3.4%	\$12,868,660	\$19,714,367	34.5%	34.7%	22.4x	20.7x	1.8%	8.3%	\$274.6	4.6%
Prem. / (Disc.) to Mean - Primary Comps			1.8%			3.5pts	0.5pts	0.2%	(0.4%)			24.0%	(45.6bps)
Prem. / (Disc.) to Mean - Multifamily Sector			(13.2%)			(5.0pts)	(8.9pts)	18.3%	17.7%			69.2%	(106.7bps)

(1) Enterprise Value (EV) = Common Equity + Preferred Equity + Net Debt. Common shares outstanding exclude the dilutive effect of options.

(2) Source: I/B/E/S consensus estimates.

(3) Source: Confidential and Proprietary Information of Green Street Advisors – do not use, quote or copy.

(4) Represents price on May 10, 2007, the day before rumors of a potential buyout of the Company. Current price is \$52.50.

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Dividend Discount Analysis

Easy Living has an implied range per share of \$48.46 to \$59.12

Dividend Discount Analysis

Implied Share Price and Dividends Paid Per Share

	2007E	2008E	2009E	2010E	2011E	2012E
FFO per share	\$2.30	\$2.49	\$2.69	\$2.91	\$3.14	\$3.39
Implied share price (based on 22.4x fwd multiple)	\$51.43	\$55.68	\$60.14	\$64.97	\$70.18	\$75.81
Discounted 2012 share price value	\$47.56					
Dividends paid per share	\$1.36	\$1.85	\$1.88	\$1.92	\$1.96	
Sum of discounted dividends paid	\$7.40					
Dividend Discount Valuation	\$54.97					

Assumptions

2007 Dividend (1)	\$1.81	Current Share Price (5/18/07)	\$51.43
5-Year Div. Growth	2.00%	2007E FFO (5)	\$2.30
		Implied FFO Multiple	22.4x
Risk Free Rate (2)	4.80%	2008E FFO (5)	\$2.49
Market Risk Premium (3)	7.00%	Consensus FFO LTGR (6)	8.02%
Beta (4)	0.71		
Cost of Equity	9.77%		

Sensitivity Analysis

Cost of Equity	FFO Multiple	FFO Multiple				
		20.0x	21.0x	22.0x	23.0x	24.0x
9.5%		\$50.51	\$52.66	\$54.82	\$56.97	\$59.12
10.0%		\$49.47	\$51.58	\$53.68	\$55.79	\$57.89
10.5%		\$48.46	\$50.52	\$52.58	\$54.64	\$56.70

(1) Q1 2007 Dividend annualized.

(2) 10-year Treasury as of 5/18/2007.

(3) Based on historical returns of the S&P 500, 1926-2006.

(4) Source: Bloomberg.

(5) Source: I/B/E/S Consensus estimates.

(6) Source: SNL Financial.

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9



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Comparable Multi-Family M&A Transactions

Multi-Family Comparable Transactions

(\$ in millions, except Ent. Value / Total Units, which is actual)

Target Acquiror	Date Announced Date Effective	Enterprise Value	Number of Units	Ent. Value / Total Units	Equity Value / FFO			Premium Paid			
					LTM	FY	(3)	1-Day	10-Day	30-Day	60-Day
Walden Olympus Real Estate	9/24/1999 2/29/2000	\$1,632.9	39.024	\$41,844	8.8x	8.8x	(3)	23.4%	22.2%	22.1%	18.2%
Charles E. Smith Archstone	5/4/2001 10/31/2001	3,690.3	28.910	127,648	12.1x	12.4x		9.2%	9.7%	10.0%	11.0%
Summit Properties Camden Property	10/5/2004 2/28/2005	1,968.6	14.346	137,223	24.6x	19.0x		12.7%	16.7%	16.4%	19.7%
Cornerstone Realty Colonial Properties	10/23/2004 4/1/2005	1,463.3	24.231	60,390	13.8x	13.4x		8.1%	9.3%	10.9%	14.9%
Gables Residential ING Clarion	6/7/2005 9/30/2005	2,771.3	25.027	110,734	17.6x	19.1x		14.1%	18.0%	18.7%	23.4%
Amlı Residential Prime Property Fund	10/23/2005 2/10/2006	2,056.2	29.183	70,459	19.6x	18.8x		20.7%	22.9%	19.6%	20.3%
Town & Country Trust Magazine Acquisition	(1) 12/20/2005 3/31/2006	1,444.1	13.329	108,344	27.0x	22.7x		34.9%	32.9%	35.1%	38.1% (2)
Mean				\$93,806	17.6x	16.3x		17.6%	18.8%	19.0%	20.8%
Median				108,344	17.6x	18.8x		14.1%	18.0%	18.7%	19.7%

Source: Company filings and Factset.

(1) Assumes conversion of 5.375% Notes into 2.93MM common shares. FFO adjusted to exclude related interest expense.

(2) Original offer of \$33.90 was raised on 2/16/06 to \$40.20. Original offer represented a 13.7% premium to the 1-day price.

(3) Projected EBITDA per Management estimates, as disclosed in the Proxy.

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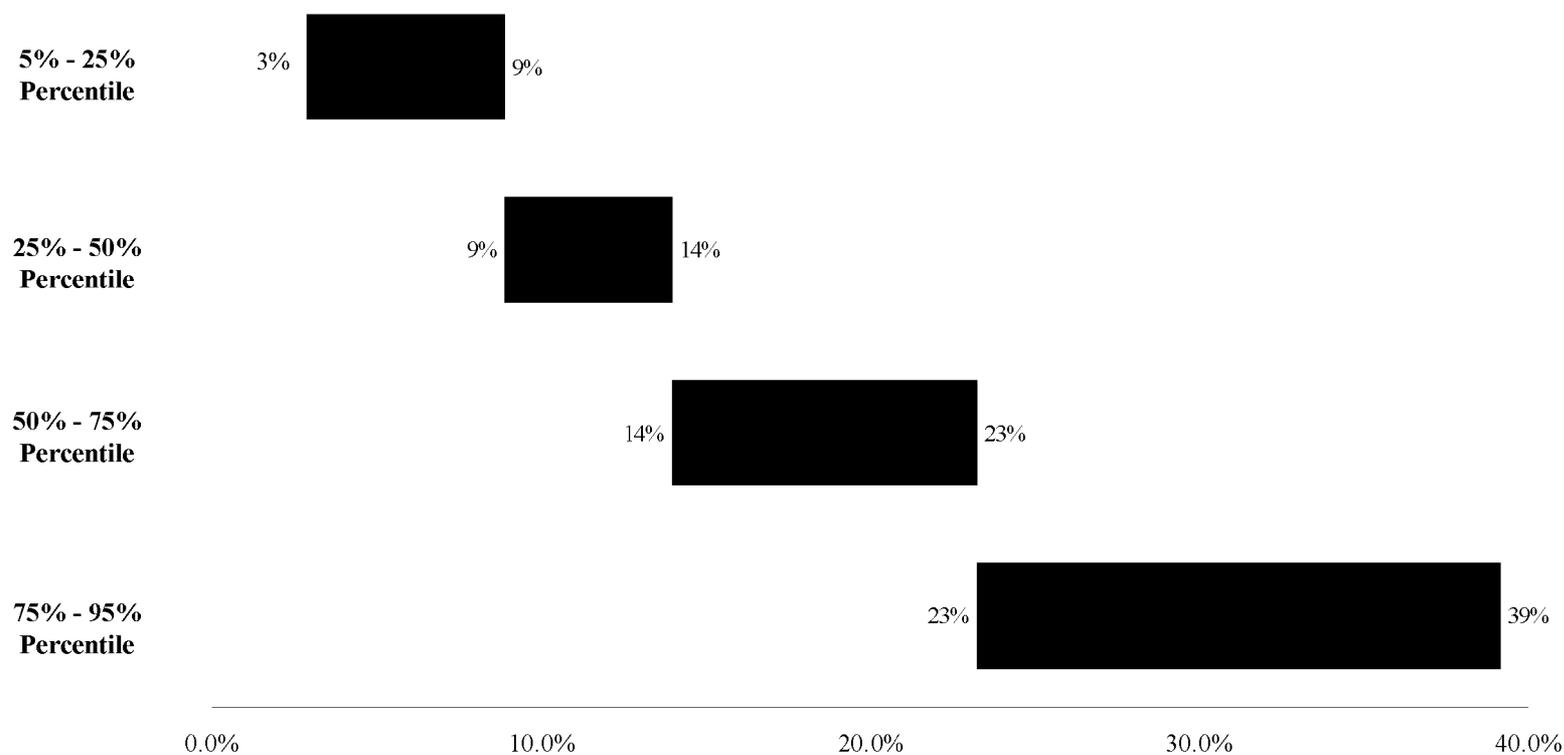
10



Premiums Paid Analysis

U.S. Real Estate targets transactions since 2005

One-Day Premium (45 Transactions)



NAV Analysis (Excludes Unplanned Development)

Net Asset Value

	2007E NOI	Base Case	
		Wtd Avg Cap Rate	Implied Value
Stabilized Real Estate Valuation			
2007E NOI (Per Company) ⁽¹⁾	\$773,097	4.25%	\$18,190,518
Subtotal - Stabilized Real Estate	\$773,097	4.25%	\$18,190,518
Other Assets			
Cash and Cash Equivalents ⁽¹⁾			\$1,404,270
Restricted Cash			669,395
Other Assets			377,759 (D)
Construction in Progress			1,428,864 (E)
Developments in Planning			382,442 (F)
Other Real Estate Assets @ 130% of BV			150,218 (G)
Stabilized Joint Ventures			741,754 (H)
Subtotal - Other Assets			\$5,154,702
Gross Asset Value			\$23,345,219
Less: Liabilities			
Unsecured Credit Facilities			(\$275,900)
Term Loan - International			(171,730)
Long-Term Unsecured Debt			(3,686,101)
Mortgages Payable			(2,332,130)
Mortgages Held for Sale			(136,738)
Pro Rata Share of JV Debt			(361,279)
Liquidation of Series I Preferred			(50,000)
Payables, Accrued Expenses and Other Liabilities			(432,546) (B)
Mark-to-Market of Pro Rata Share Secured Debt			(13,053) (C)
Subtotal - Liabilities			(\$7,459,477)
Net Asset Value			\$15,885,742
Total Diluted Shares and Units Outstanding			250,860
NAV per Share			\$63.33
Transaction Expenses			
Unsecured Debt Prepayment			(\$285,000)
Legal, Advisory, Accounting, Other Professional Fees			(50,000)
Executive Severance			(35,000)
Transfer and Mortgage Recording Taxes			(150,000)
Subtotal - Transaction Expenses			(\$520,000)
NAV per Share Incl. Transaction Expenses			\$61.25

1. 2007E NOI for Easy Living, adjusted for the sale of the Werner Portfolio (\$76MM of NOI and \$1.355BN of cash).

Sensitivity

	2007E NOI	NAV per Share Capitalization Rate			
		4.00%	4.25%	4.50%	4.75%
	\$725,000	\$60.99	\$56.74	\$52.96	\$49.58
	750,000	63.48	59.09	55.18	51.68
	773,097	65.78	61.25	57.22	53.62
	775,000	65.97	61.43	57.39	53.78
	800,000	68.47	63.78	59.61	55.88

Net Asset Value Analysis (cont'd)

Footnotes

(A) Stock Options				(E) Construction in Progress			
				See additional Development Valuation Worksheet attached			(\$1,428,750)
Options Outstanding (<i>in thousands</i>)			2,032				
Weighted Average Strike Price			\$35.16	(F) Developments in Planning			
Exercise Proceeds			\$71,434	See additional Development Valuation Worksheet attached			(\$382,442)
Shares Repurchased			1,389				
Net Dilution			643	(G) Other Real Estate Assets @ 130% of BV			
			shares	See additional Development Valuation Worksheet attached			(\$150,218)
(B) Payables, Accrued Expenses and Other Liabilities				(H) Stabilized Joint Venture Valuation			
Book Value (3/31/07)			\$467,452	Total Joint Venture NOI (1Q '07)			\$21,989
Less: Lease related intangibles (net of accumulated depreciation)			(34,906)	Pro Rata Share			34.8%
Net Tangible Liabilities			\$432,546	Pro Rata Share of NOI			<u>7,652</u>
				Annualized			\$30,609
(C) Mark-to-Market Secured Debt	Actual	FMV		Wtd Avg Growth			10.0%
Adjusted Balance	\$1,670,194	\$1,683,247		2007E NOI (Pro Rata Share)			\$33,670
Interest Rate	5.79%	5.62%		Less: Mgmt Fee			(1,123)
Years to Maturity	5.7			Less: CapEx			(1,022)
Amort Period	30	30		2007E Private Market NOI (Pro Rata Share)			\$31,525
Monthly Payment	\$9,787	\$9,787		Cap Rate			4.25%
Balance at Maturity	\$1,531,519	\$1,531,519					
				Stabilized JV Value (Pro Rata Share)			\$741,754
MTM Adjustment	\$13,053			Stabilized JV Units	12,216	34.8%	4,251
				SValue / Unit			\$174
(D) Other Assets							
Book Value (3/31/07)			(389,464)				
Less: Lease related intangibles (net of accumulated depreciation)			11,705				
Net Tangible Assets			(377,759)				

Net Asset Value Analysis (cont'd)

Footnotes

(E) Construction In Progress

(\$ in thousands)

Asset	Location	Units	Total Exp. Investment	Dev. Yield	Implied NOI	Exit Cap	Market Value	Implied Profit	Time to Stabilize	Discount Rate	PV of Profit	BV as of 3/31/07	Total PV of Project	Percent Ownership	Pro Rata Share of PV
Archstone															
Archstone Santa Monica	Santa Monica, CA	133	\$72,507	6.2%	4,503	4.00%	112,567	\$40,060	0.1	9.0%	\$39,689	\$72,347	\$112,036	100.0%	\$112,036
Archstone Warner Center	Los Angeles, CA	522	121,428	6.6%	7,954	4.19%	189,822	68,394	0.9	9.0%	63,501	119,451	182,952	100.0%	182,952
Archstone San Bruno Phase II	San Bruno, CA	185	72,123	4.4%	3,181	3.50%	90,875	18,752	1.1	9.0%	17,040	68,372	85,412	100.0%	85,412
North Point Place 1	Cambridge, MA	426	189,494	6.1%	11,521	4.25%	\$271,088	81,594	2.4	9.0%	66,562	\$128,301	\$194,863	100.0%	194,863
Archstone Clinton	New York, NY	627	308,118	7.1%	21,846	4.25%	514,013	205,895	2.6	9.0%	164,356	244,706	409,062	59.0%	241,346
Wisconsin Place	Chevy Chase, MD	432	180,642	6.7%	12,031	4.42%	272,189	91,547	3.6	9.0%	67,043	4,111	71,154	75.0%	53,366
Archstone Gateway	Orange, CA	884	270,131	6.1%	16,478	4.19%	393,269	123,138	3.9	9.0%	88,283	60,162	148,445	100.0%	148,445
Ameriton															
Various	Various	2,756	\$480,635	7.0%	\$33,644	4.50%	\$747,654	\$267,019	2.6	9.0%	\$213,419	\$196,980	\$410,399	100.0%	\$410,399
Total		5,965	\$1,695,078	6.6%	\$111,157	4.30%	\$2,591,478	\$896,400	2.6	9.0%	\$719,895	\$894,430	\$1,614,325		\$1,428,821
													<i>Premium to Book Value</i>		<i>59.7%</i>

(F) Developments in Planning

	Units	BV as of 3/31/07	Premium to BV	Implied Value	Percent Ownership	Pro Rata Share of PV
Archstone						
In Planning - Owned	1,514	\$94,970	30.0%	\$123,461	100.0%	\$123,461
In Planning - Under Control	1,454	10,863	30.0%	14,122	100.0%	14,122
In Planning - Under Control - JV	515	8,770	30.0%	11,401	93.0%	10,603
Ameriton						
In Planning - Owned	3,914	\$137,069	30.0%	\$178,190	100.0%	178,190
In Planning - Owned - JV	875	44,925	30.0%	58,403	96.0%	56,066
Total	8,272	\$296,597	30.0%	\$385,576		\$382,442

(G) Other Real Estate Assets

	BV as of 3/31/07	Premium to BV	Implied Value	Percent Ownership	Pro Rata Share of PV
Ameriton - Wholly Owned	\$103,528	30.0%	\$134,586	100.0%	\$134,586
Ameriton - JV	15,821	30.0%	20,567	76.0%	15,631
Total - Other Real Estate Assets	\$119,349	30.0%	\$155,154		\$150,218

II. Precedent Merger Terms

Summary of Recent REIT Transactions

(\$ in millions)						Break-up Fee			Reverse Break-up Fee			Guarantee			Go-Shop Period	Go-Shop Termination Fee	% of Equity Value
Date	Target	Acquiror	Enterprise Value ("EV")	Equity Value	Dividend Treatment	Amount	% of EV	% of Equity Value	Amount	% of EV	% of Equity Value	Amount	% of EV	% of Equity Value			
Real Estate:																	
4/16/07	Imkeepers	Apollo	\$1,530.0	\$871.0	Suspended	\$17.0	1.1%	2.0%	\$50.0 (1)	3.3%	5.7%	\$50.0	3.3%	5.7%	-	-	-
2/27/07	New Plan Excel	Centro Properties	5,211.0	3,431.0	Suspended	90.7	1.7%	2.6%	-	-	-	-	-	-	-	-	-
2/21/07	Winston Hotels	Inland America	843.0	460.0	Suspended	20.0	2.4%	4.3%	11.0	1.3%	2.4%	20.0	2.4%	4.3%	-	-	-
2/16/07	Mills Corporation	Farallon / Simon	7,585.0	1,642.0	Suspended	50.0	0.7%	3.0%	-	-	-	-	-	-	-	-	-
1/19/07	CNL Hotels	Morgan Stanley	6,674.0	3,273.0	Suspended	145.0	2.2%	4.4%	-	-	-	300.0	4.5%	9.2%	-	-	-
1/15/07	Sunrise Senior Living	Ventas	2,140.0	1,140.0	-	39.8	1.9%	3.5%	-	-	-	-	-	-	-	-	-
11/19/06	Equity Office	Blackstone	40,164.0	22,217.0	Suspended	720.0	1.8%	3.2%	-	-	-	1,500.0	3.7%	6.8%	-	-	-
10/30/06	Truststreet	General Electric	3,081.0	1,348.0	Suspended	34.5	1.1%	2.6%	-	-	-	-	-	-	-	-	-
10/23/06	Inland Retail	Developers Diversified	6,091.0	3,845.0	Pro-Rata	100.0	1.6%	2.6%	-	-	-	-	-	-	-	-	-
10/2/06	Harrahs	Investor Group	27,800.0	16,776.0	Maintain	500.0	1.8%	3.0%	500.0	1.8%	3.0%	500.0	1.8%	3.0%	25	\$500.0	3.0%
9/13/06	Windrose Med Ppty	Healthcare REIT	864.0	451.0	Pro-Rata	17.0	2.0%	3.8%	-	-	-	-	-	-	-	-	-
8/21/06	Glenborough	Morgan Stanley	1,795.0	919.0	Pro-Rata	27.8	1.5%	3.0%	-	-	-	200.0	11.1%	21.8%	-	-	-
8/3/06	Reckson Associates	SL Green	5,823.0	3,693.0	Pro-Rata	100.0	1.7%	2.7%	-	-	-	-	-	-	-	-	-
7/23/06	Newkirk Realty	Lexington Corporate	1,012.0	325.0	Maintain	25.0	2.5%	7.7%	25.0	2.5%	7.7%	-	-	-	-	-	-
7/10/06	PanPacific	Kimco Realty	4,003.0	2,898.0	Pro-Rata	65.0	1.6%	2.2%	-	-	-	-	-	-	-	-	-
7/9/06	Heritage Property	Centro Watt	3,093.0	1,728.0	Pro-Rata	65.0	2.1%	3.8%	-	-	-	-	-	-	-	-	-
6/5/06	Trizec	Blackstone	8,857.0	4,783.0	Pro-Rata	140.0	1.6%	2.9%	-	-	-	1,100.0	12.4%	23.0%	-	-	-
5/1/06	CNL Retirement	Healthcare Property	5,233.0	3,566.0	-	107.0	2.0%	3.0%	-	-	-	-	-	-	-	-	-
4/30/06	Kerzner International	Investor Group	3,879.5	3,199.5	NA	95.4	2.5%	3.0%	-	-	-	-	-	-	45	95.4	3.0%
3/6/06	Carr America	Blackstone	4,998.0	2,903.0	Suspended	85.0	1.7%	2.9%	-	-	-	500.0	10.0%	17.2%	-	-	-
2/21/06	MeriStar	Blackstone	1,967.0	1,116.0	NA	21.0	1.1%	1.9%	-	-	-	200.0	10.2%	17.9%	-	-	-
2/16/06	Town and Country	Investor Group	1,387.0	821.0	Maintain	40.0	2.9%	4.9%	-	-	-	200.0	14.4%	24.4%	-	-	-
2/10/06	Bedford Properties	LBA Realty	824.0	432.0	Suspended	16.0	1.9%	3.7%	-	-	-	200.0	24.3%	46.3%	-	-	-
12/22/05	Arden	General Electric	4,731.0	3,142.0	Pro-Rata	100.0	2.1%	3.2%	-	-	-	-	-	-	-	-	-
12/7/05	Centerpointe Properties	CalEast	3,372.0	2,534.0	Maintain	40.0	1.2%	1.6%	-	-	-	-	-	-	-	-	-
11/9/05	LaQuinta	Blackstone	3,398.0	2,372.0	Suspended	75.0	2.2%	3.2%	-	-	-	275.0	8.1%	11.6%	-	-	-
10/24/05	Amlı Residential	Prime	1,893.0	1,190.0	Maintain	40.0	2.1%	3.4%	-	-	-	Full	-	-	-	-	-
10/3/05	Prentiss	Brandywine	3,550.0	2,075.0	Maintain	60.0	1.7%	2.9%	12.5	0.4%	0.6%	-	-	-	-	-	-
9/6/05	Capital Auto REIT	DRA Advisors	3,434.0	2,116.0	Suspended	40.0	1.2%	1.9%	-	-	-	Full	-	-	-	-	-
8/1/05	Shurgard	Public Storage	5,064.0	3,113.0	-	125.0	2.5%	4.0%	-	-	-	-	-	-	-	-	-
6/17/05	CRT Properties	DRA Advisors	1,564.0	889.0	Pro-Rata	40.0	2.6%	4.5%	-	-	-	Full	-	-	-	-	-
6/14/05	Wyndham	Blackstone	3,384.0	1,394.0	NA	44.5	1.3%	3.2%	-	-	-	275.0	8.1%	19.7%	-	-	-
6/7/05	Gables	ING / Lehman	3,023.0	1,455.0	Maintain	43.0	1.4%	3.0%	-	-	-	800.0	26.5%	55.0%	-	-	-
6/6/05	Catellus Development	ProLogis	4,738.0	3,587.0	-	90.0	1.9%	2.5%	20.0	0.4%	0.6%	-	-	-	-	-	-
Mean - Real Estate							1.8%	3.2%		1.6%	3.3%		10.1%	19.0%	35	\$297.7	3.0%
Median - Real Estate							1.8%	3.0%		1.6%	2.7%		9.1%	17.6%	35	\$500.0	3.0%

Source: Factset, MergerMetric and Company Filings.

(1) Break-up fee was tiered: \$25MM related to a financing related fee and \$50MM related to a non-financing related fee.

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15

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Summary of Recent Non-REIT Transactions

(\$ in millions)						Break-up Fee			Reverse Break-up Fee			Guarantee			Go-Shop Period	Go-Shop Termination Fee	% of Equity Value
Date	Target	Acquiror	Enterprise Value ("EV")	Equity Value	Dividend Treatment	Amount	% of EV	% of Equity Value	Amount	% of EV	% of Equity Value	Amount	% of EV	% of Equity Value			
Non-Real Estate:																	
04/26/07	Harman Industries	Investor Group	\$7,955.0	7,817.0	26,040.0	225.0	2.8%	2.9%	\$225.0	2.8%	2.9%				50	\$75.0	1.0%
04/16/07	Sallie Mae	Investor Group	142,979.0	26,040.0	26,040.0	900.0	0.6%	3.5%	900.0	0.6%	3.5%				-	-	-
04/02/07	First Data Corp.	KKR	28,691.0	25,649.9	25,649.9	700.0	2.6%	2.9%	700.0	2.6%	2.9%				50	700.0	2.9%
03/20/07	Claire's Stores	Investor Group	3,071.0	2,640.0		90.0	2.9%	3.4%	90.0	2.9%	3.4%	150.0	4.9%	5.7%	-	-	-
03/19/07	ServiceMaster	Investor Group	5,500.0	4,480.0	5,500.0	100.0	1.8%	2.2%	100.0	1.8%	2.2%				-	-	-
03/19/07	Triad Hospitals, Inc.	Community Health	6,786.0	4,949.0	6,786.0	130.0	1.9%	2.6%	-	-	-	-	-	-	-	-	-
03/12/07	Dollar General	Investor Group	6,986.0	6,906.6	6,906.6	225.0	3.2%	3.3%	225.0	3.2%	3.3%	225.0	3.2%	3.3%	-	-	-
02/26/07	TXU Corp	Investor Group	45,025.0	32,443.5	45,025.5	1,000.0	2.2%	3.1%	1,000.0	2.2%	3.1%				50	375.0	1.2%
02/05/07	Triad Hospitals, Inc.	Investor Group	6,446.0	4,604.0	6,446.0	120.0	1.9%	2.6%	120.0	1.9%	2.6%	-	-	-	40	40.0	0.9%
01/28/07	Laureate Education, Inc.	Investor Group	3,800.0	3,213.0		110.0	2.9%	3.4%	110.0	2.9%	3.4%	-	-	-	45	55.0	1.7%
12/18/06	Biomet	Investor Group	* 11,100.0	10,776.0	10,776.0	273.0	2.5%	2.5%	273.0	2.5%	2.5%	272.5	2.5%	2.5%	-	-	-
12/17/06	Realogy	Apollo	7,929.0	6,528.0	6,528.0	215.0	2.7%	3.3%	215.0	2.7%	3.3%	215.2	2.7%	3.3%	60	99.3	1.5%
12/12/06	Sabre Holdings	Investor Group	4,947.0	4,335.0		135.0	2.7%	3.1%	175.0	3.5%	4.0%	175.0	3.5%	4.0%	-	-	-
11/16/06	Clear Channel	Investor Group	27,245.0	19,227.0	19,227.0	600.0	2.2%	3.1%	500.0	1.8%	2.6%	500.0	1.8%	2.6%	21	500.0	2.6%
9/15/06	Freescale	Investor Group	* 17,608.0	16,486.0	16,486.0	300.0	1.7%	1.8%	300.0	1.7%	1.8%	300.0	1.7%	1.8%	50	150.0	0.9%
7/24/06	HCA	Investor Group	32,207.0	21,279.0	21,279.0	500.0	1.6%	2.3%	500.0	1.6%	2.3%	500.0	1.6%	2.3%	50	300.0	1.4%
6/27/06	Univision	Investor Group	13,427.2	11,100.0	13,427.2	300.0	2.2%	2.7%	300.0	2.2%	2.7%	300.0	2.2%	2.7%	-	-	-
6/30/06	Michaels	Investor Group	* 5,487.0	5,814.0	5,814.0	120.0	2.2%	2.1%	200.0	3.6%	3.4%	600.0	10.9%	10.3%	-	-	-
5/9/06	Kinder Morgan	Investor Group	27,171.0	14,589.0	14,589.0	215.0	0.8%	1.5%	215.0	0.8%	1.5%	215.0	0.8%	1.5%	-	-	-
5/2/05	Neiman Marcus	Investor Group	5,158	4,895	4,895	140.3	2.7%	2.9%	140.3	2.7%	2.9%	Full	-	-	-	-	-
5/1/06	Aramark	Investor Group	8,056.0	6,237.0	6,237.0	120.0	1.5%	1.9%	120.0	1.5%	1.9%	120.0	1.5%	1.9%	-	-	-
3/28/05	Sungard	Investor Group	* 11,167.0	11,043.0	11,043.0	300.0	2.7%	2.7%	300.0	2.7%	2.7%	300.0	2.7%	2.7%	-	-	-
3/17/05	Toys "R" Us Inc.	Investor Group	6,114.4	5,922.6	5,922.6	248.0	4.1%	4.2%	0.0	0.0%	0.0%	-	-	-	-	-	-
Mean - All Transaction Comps							2.3%	2.8%		2.2%	2.7%		3.1%	7.9%	46	\$259.4	1.6%
Median - All Transaction Comps							2.2%	2.9%		2.3%	2.8%		2.5%	4.2%	50	\$150.0	1.4%

Source: Factset, MergerMetric and Company Filings

* Represents transactions where Blackstone was involved as part of the investor consortium.

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16

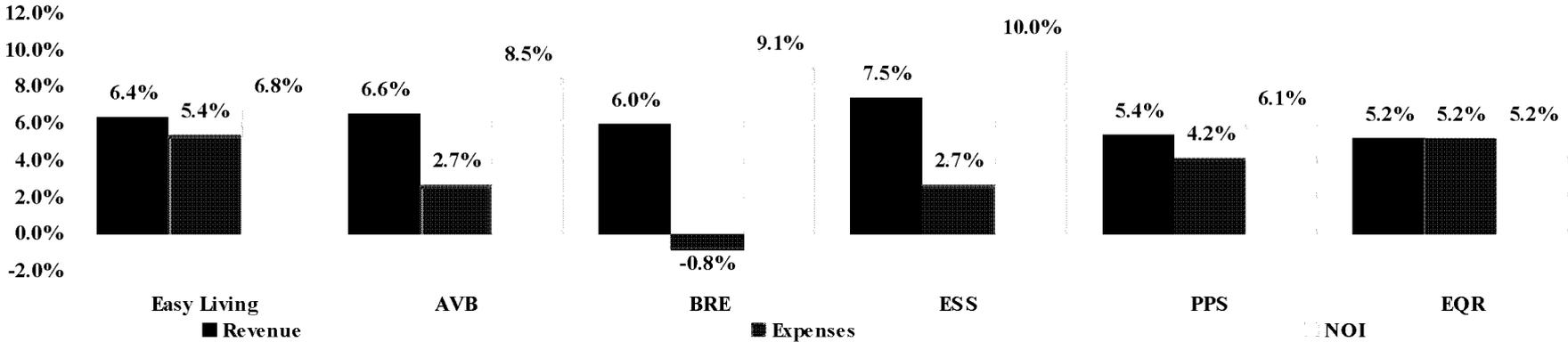
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III. Q1 Earnings Update

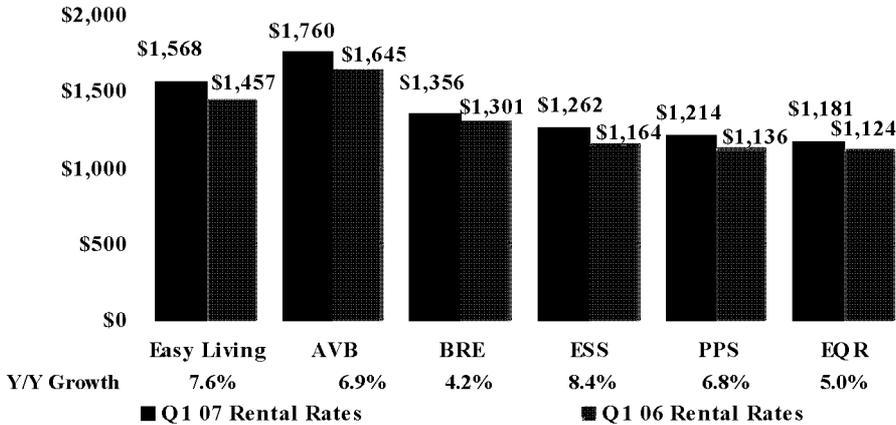
Summary of Q1 Operating Results

Multifamily operators reported strong Q1 results, with Easy Living's performance consistent with its peers

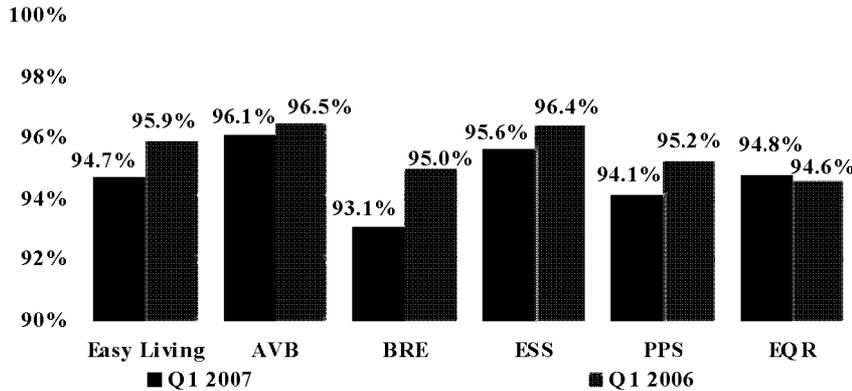
Q1 07, vs. Q1 06 Same Store Operating Performance



Market Rent Rates



Average Occupancy



Source: Company filings and Wall Street research.

Summary of Operating Guidance

Analyst community reduced FFO estimates for most of the group, following Q1 reporting

	Year End Guidance	Q1 2007 Revisions	Analyst Reaction	Commentary
	<ul style="list-style-type: none"> ◆ FFO of \$2.24 - \$2.38 ◆ Revenue growth of 5.5% - 7.0% ◆ Expense growth of 5.0% - 6.0% ◆ NOI growth of 5.5% - 7.5% 	<ul style="list-style-type: none"> ◆ None given 	↓	<ul style="list-style-type: none"> ◆ Mean FFO estimate reduced from \$2.31 to \$2.30 – 18 analysts reduced estimates, 1 raised
	<ul style="list-style-type: none"> ◆ FFO of \$4.68 - \$4.92 ◆ Revenue growth of 5.0% - 6.5% ◆ Expense growth of 3.5% - 5.0% ◆ NOI growth of 5.5% - 7.5% 	<ul style="list-style-type: none"> ◆ None given 	↓	<ul style="list-style-type: none"> ◆ Mean FFO estimate reduced from \$4.83 to \$4.72 – 15 analysts reduced estimates, 2 raised
	<ul style="list-style-type: none"> ◆ FFO of \$2.55 - \$2.70 ◆ Revenue growth of 6.0% - 7.0% ◆ Expense growth of 2.0% - 3.0% ◆ NOI growth of 7.5% - 9.0% 	<ul style="list-style-type: none"> ◆ Maintain FFO of \$2.55 - \$2.70 	↔	<ul style="list-style-type: none"> ◆ Maintained mean FFO estimate of \$2.63 – 8 analysts raised estimates, 4 lowered estimates
	<ul style="list-style-type: none"> ◆ FFO of \$5.40 - \$5.60 ◆ Revenue growth of 5.5% - 6.5% ◆ Expense growth of 2.5% - 3.5% ◆ NOI growth of 8.0% 	<ul style="list-style-type: none"> ◆ Increased guidance to \$5.50 - \$5.65 	↑	<ul style="list-style-type: none"> ◆ Mean FFO estimate increased from \$5.54 to \$5.60 – 13 analysts raised estimates
	<ul style="list-style-type: none"> ◆ FFO of \$1.91 - \$2.09 ◆ Revenue growth of 6.0% - 7.0% ◆ Expense growth of 6.5% - 7.5% ◆ NOI growth of 5.0% - 7.0% 	<ul style="list-style-type: none"> ◆ Q2 guidance lower than overall 2007 ◆ Revenue growth in 2Q of 4.3% - 4.7% ◆ Expense growth of 5.0% - 5.5% ◆ NOI growth of 3.5% - 4.5% 	↓	<ul style="list-style-type: none"> ◆ Mean FFO estimate declined from \$1.98 to \$1.96 – 11 analysts reduced estimates and 3 increased estimates
	<ul style="list-style-type: none"> ◆ FFO of \$2.25 - \$2.35 ◆ Revenue growth of 5.0% - 6.0% ◆ Expense growth of 3.5% - 4.5% ◆ NOI growth of 5.5% - 7.5% 	<ul style="list-style-type: none"> ◆ Reaffirmed original guidance 	↓	<ul style="list-style-type: none"> ◆ Mean FFO estimate reduced from \$2.31 to \$2.30 – 17 analysts reduced estimates

Source: Company filings and Wall Street research.

