



-Courtesy Update-
Notice regarding rent increases

November 21, 2006

Dear Resident,

Thank you for the business you've extended to us. It's our goal to deliver Great Service and we know that great communication effectively supports this positive objective. This courtesy update is aimed at addressing resident concerns regarding an unapproved notice delivery as well as, the rent increases it references.

Recently an unsigned notice from "Concerned Tenants" was delivered to apartment doors referencing rent increases as well as, a tenant meeting planned for this evening - November 21, 2006 at 8:00 p.m. in the gym. We acknowledge that our residents may gather to share concerns on any topic yet, we must require the meeting organizer to obtain permission to use the gym or any common areas for this purpose. The design of the gym does not make it an acceptable location for a meeting. The lobby is an alternative and we kindly invite the meeting organizer to contact us for approvals to use the lobby space. We will be happy to accommodate the request and prepare our associates for the gathering.

Concerns were also raised about the surreptitious nature of the delivery made by unknown parties. We acknowledge this concern and will exercise care to monitor the situation. We care about your peace of mind and want you to know that delivery and posting of notices must be approved by the management office in advance. We regret the feeling of discomfort the unapproved delivery created and kindly request your cooperation in complying with this guideline.

Finally, we'd like to address the rent increases that are occurring. Extensive market surveys confirm that apartment rates have increased significantly throughout the greater New York area. Over the last several years the prior owner did not raise rents in response to changing market conditions. As a result, the rental rates have slipped well below the value of apartment housing. We're pleased our residents enjoyed this temporary pricing benefit and now, deem it appropriate to raise prices to accurately reflect market conditions. We encourage you to shop competitors in the area and survey the housing options available to you. Lease expiration provides rental consumers with the opportunity to evaluate renewal pricing and compare it to what others are offering. A thorough price value comparison will give you the information you need to make an informed decision to renew or relocate. We deem our renewal rates and option offering as fair and reasonable. We know you can choose from many housing alternatives and we hope your price value comparison will lead to continued residency with us.

If you decide the renewal rates exceed your budgeting requirements we encourage you to consider the Archstone-Smith Relocation Guarantee as a service option. The Guarantee makes it easy to transfer to a less expensive or smaller apartment here or another Archstone-Smith community in the area. Please let us know if transferring makes sense to you. We'll be happy to explain how to take advantage of the benefits the Guarantee provides.

Your questions, comments and concerns are always welcome. Please call 201 653.7400 or email mgr-303@archstonesmith.com for customer service support. It will be our pleasure to assist you.

Kerry Salter
Operations Manager

Sarah Day
Community Manager
Manager

Charles Anantavara
Assistant Community
Manager

Nick Cattan
Service Manager