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Morgan Properties Completes Acquisition of Westminster Portfolio from Kushner Companies

King of Prussia, PA, September 28, 2007 – Morgan Properties announced today that it has completed the acquisition of 86 individual apartment communities from Kushner Companies. The purchase is a joint venture between AIG Global Real Estate Investment Corp. and Morgan Properties. “This is one of the largest private-to-private multifamily transactions ever,” said Mitchell Morgan, founder, President and Chief Executive Officer.

The portfolio, formerly marketed as “Westminster Management,” consists of 16,784 units in four states. The largest concentration of apartments are in southern New Jersey and Philadelphia (25 communities with 5,282 units) and northern New Jersey (23 communities with 2,473 units). The balance of the portfolio includes 14 communities in central New Jersey, 9 communities on the Jersey shore, 7 communities in both Pennsylvania and Delaware and 1 community in New York.

As previously announced on June 27, 2007, the companies signed a definitive purchase agreement under which Morgan and equity partner AIG Global Real Estate acquired the communities. As of June 30, 2007 AIG Global Real Estate has approximately \$14.3 billion of equity under management, with a property portfolio that includes over 53 million square feet of retail, residential, industrial, office and hospitality properties owned, managed, or under development in more than 50 countries.

“Purchasing the Kushner properties was attractive because it was a natural fit with our current portfolio. The locations are complimentary to ours, the property types are similar and both organizations share a culture of excellence. Combining the best of both companies will result in industry leading results,” said Morgan.

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Morgan Properties has retained 98% or 346 employees from Westminster Management and will continue to focus on maintaining high levels of occupancy. Westminster has a strong heritage of operational efficiencies and won the New Jersey Apartment Association's 2006 Property Management Company of the Year. The combined companies will be executing a "Best Practices" review to effectively combine all processes and procedures.

"As one of the leading apartment management companies in the United States, Morgan Properties has been creating the standards that others have followed for many years. Our highly qualified staff with strong teamwork continually achieves our goal of being the leader in multifamily housing. Our ongoing commitment to customer service, employee satisfaction and maintaining beautiful properties has made the Morgan Properties portfolio one of the fastest growing in the apartment industry. We are delighted to welcome the Westminster team and look forward to proudly serving our residents with exceptional living experiences," said Ron Monson, Chief Operating Officer.

ABOUT Morgan Properties - Established in 1985 by Mitchell L. Morgan, Morgan Properties is a real estate investment, development and management company. Morgan Properties owns and manages 132 apartment communities with 31,044 units in Pennsylvania, Delaware, New Jersey, New York, Ohio, Indiana, Maryland, South Carolina, Virginia and Nebraska.

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