



NEWS RELEASE

For Immediate Release

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RCP Development Company and Citigroup Property Investors Partner on Real Estate Venture

To Focus on Value-Added Projects in the D.C. Metro Area

Washington, D.C., Metro Area— RCP Development Company announced the formation of RCP Capital, LLC, a joint venture with Citigroup Property Investors (CPI), the real estate investment management business of Citigroup. The venture, funded primarily by CPI, plans to invest approximately \$100 million of equity over the next few years, equating to about \$400 million in leveraged investments. The company will focus on value-added real estate projects in the Washington, D.C. metropolitan area.

"This partnership allows RCP to effectively compete for the long-term in one of the most attractive real estate markets in the country," states Steve Etminani, founder and principal of RCP Development Company. "Our goal is to build and manage a viable and well-capitalized company that takes advantage of opportunities in the market, even during downturns. In addition to Citigroup's branding and capital advantages, RCP Capital will benefit from the knowledge and contacts of CPI's senior management, some of the industry's most respected and capable individuals."

RCP Capital links the local knowledge and experience of an entrepreneurial development company with the financial capabilities of the world's premier financial organization. The powerful combination will add to RCP Development Company's continued success in the dynamic Washington, D.C. metropolitan area market.

Jason Grossman, vice president of North America Investments at CPI, said: "We're excited about the formation of RCP Capital and look forward to a mutually beneficial relationship with Steve Etminani and his growing organization. Steve exemplifies the type of partner we establish long term relationships with — honest, smart, hungry, and with a demonstrated track record of success. CPI views its venture with RCP as the first of several joint venture relationships with some of D.C.'s best real estate developers and operators."

The venture will target acquisition and development projects with capitalization ranging from \$35 to \$100 million each.

The Washington, D.C. and Boston offices of Goulston & Storrs represented RCP Development Company, and the Boston office of Goodwin Procter represented CPI.

RCP Development Company is a Washington, D.C. based firm focused on the development, redevelopment and acquisition of institutional grade multifamily, commercial and mixed-use real estate in the Washington metropolitan area. Since its inception in Spring 2003, RCP has amassed a pipeline with a total sellout value estimated at \$190 million, partnering with world class organizations such as the Carlyle Group, Faison & Associates, First Worthing and Principal Financial. For more information, visit <http://www.rcpdevelopment.com>

CPI is the real estate investment management business of Citigroup, the leading global financial services company. A unit of Citigroup Alternative Investments, CPI provides investment opportunities in the public and private real estate markets to qualifying institutional and individual investors. With more than 75 professionals, CPI manages \$7 billion in real estate capital commitments through its New York, London and Hong Kong offices.

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