

FOR IMMEDIATE RELEASE:

Morgan Properties and Olayan Acquire 800-Unit Apartment Community

King of Prussia, PA, December 10, 2014 – Morgan Properties and its Joint Venture partner, The Olayan Group (“Olayan”) have acquired The Preserve at Owings Crossing (“The Preserve”), a 791-unit Class B apartment community located in Reisterstown, Maryland. The Preserve marks the second acquisition that Morgan Properties has purchased in a Joint Venture with Olayan this year. Morgan Properties and Olayan have acquired approximately \$400 Million of new acquisitions together in the Mid-Atlantic Region in 2014. Earlier this year, the Morgan Properties-Olayan JV Partnership acquired the Mid-Atlantic Portfolio from Berkshire Property Advisors, which was comprised of nine assets and 2,671 units located in Maryland and Virginia. JLL represented the seller on the disposition.

Mitchell Morgan, Founder and CEO of Morgan Properties, said, “The Preserve is an exciting acquisition for our organization. We are pleased to continue doing deals with our partner Olayan. Our Maryland team will add tremendous value to the asset. Given our local market knowledge and operational expertise, Morgan Properties is the right operator to efficiently manage and enhance the value of the asset. We are excited to collaborate with Olayan and our team looks forward to owning the property and executing our business plan.”

The Preserve is a 791-unit garden-style apartment community located in Reisterstown, Maryland. Morgan Properties also owns and manages Chartleytowne Apartments, a 692-unit apartment community in Reisterstown and has a strong understanding of the submarket. The property is ideally situated near excellent schools, retail and major transportation arteries that offer the residents convenient access to downtown Baltimore and the surrounding area’s robust employment base. The Preserve provides direct access to Owings Mills Boulevard, Reisterstown Road, the Northwest Expressway (I-795), the Baltimore Beltway (I-695), and the Owings Mills Metro Station, all of which are located in close proximity of the property.

Originally built in two phases in 1965 and 1973, The Preserve offers the residents a comprehensive amenities package including a full-service leasing office with a fitness center, a swimming pool, tennis and volleyball court, playground areas and a dog park. The apartments are

spacious and have well designed floor plans that offer highly coveted in-unit features, such as individually-controlled HVAC units and generous walk-in closets. Morgan Properties and Olayan plan to implement a value-add repositioning strategy that will address capital needs and complete an interior unit renovation plan to enhance the value of the asset.

The Preserve is ideally positioned for value-add renovations due to the community's original interiors and the significant rental spread between both Class A product in the area and the Property's direct competitors. Morgan Properties will implement a value-add repositioning strategy consisting of kitchen and bath renovations and in-unit washer and dryer installations. They will be completing top-of-line amenity upgrades including a renovated fitness center.

Jonathan Morgan, President of Morgan Properties JV Management LLC, said "We are excited to partner with Olayan on the acquisition of The Preserve. We were the logical buyer since we own Chartleytowne Apartments down the street. Morgan Properties is one of the nation's largest and fastest growing multifamily owners and operators. We have acquired \$500 Million of new acquisitions in the Maryland-Washington, DC Corridor in 2014. We look forward to continuing to grow our portfolio and cultivating our JV Partnership with Olayan."

About The Olayan Group – Founded in 1947, The Olayan Group is a private, multinational enterprise that is a major international investor as well as a diversified commercial and industrial business in the Middle East. With offices in the US, Europe, and Saudi Arabia, the group's global investment team focuses on public and private equities, real estate, fixed income securities, and other specialized assets. The Group manages its investments in the Americas from New York, where it has had a continuous presence for more than four decades. More at: www.olayan.com.

About Morgan Properties – Established in 1985 by Mitchell L. Morgan, Morgan Properties is a real estate investment, development and management company headquartered in King of Prussia, PA. Morgan Properties owns and manages 117 apartment communities with over 31,000 units located in ten states throughout the country, primarily in the Mid-Atlantic and the Northeast Region. They own and operate over 11,000 apartments in the Maryland-Washington, DC Corridor alone. Morgan Properties was recognized as Maryland's Multi-Housing Associations' "Property Management Company of the Year" in 2011 and 2012 based on its company vision, mission, marketing, maintenance programs, customer service philosophy, community service, employee training and commitment to education. Morgan Properties was selected as one of the Top Workplaces in Philadelphia in 2014. Morgan Properties was also named the 43rd largest multifamily owner in the country and was named as one of the Top 25 Renovators by the National Multi Housing Counsel in 2014.

<http://www.morgan-properties.com>

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