

FOR IMMEDIATE RELEASE:

Morgan Properties Completes \$1.5 Billion Purchase of Portfolio Interests

King of Prussia, PA, January 11, 2011 - Morgan Properties has announced today that it has completed the purchase of its institutional partners' interests in 76 multifamily apartment communities containing approximately 15,000 apartment homes with a real estate value in excess of \$1.5 Billion. The buyouts occurred in three separate transactions during the 4th Quarter of 2010 and were funded solely from internal equity sources. Morgan Properties now owns a 100% interest in 94 of the 99 properties in its portfolio.

"I have had an amazing relationship with my institutional partners for the past 15 years," said Mitchell Morgan, President of Morgan Properties. "They provided me with capital to grow my company from an owner of five communities in the Philadelphia Suburbs, to one of the largest multifamily owners in the mid-Atlantic region. In return we delivered exceptional and consistent returns on their equity. I am pleased that as my partners' investment hold periods ended, they chose to sell their interests to me."

Now that Morgan Properties has consolidated its ownership interests in its existing portfolio, it intends to continue the smart growth that has become its hallmark. "Mitch is never one to rest on his laurels," said David Koffler, Senior Vice President of Asset Management. "Morgan Properties has a unique operating and financing platform to continue to purchase multifamily properties in the mid-Atlantic and other select markets and drive operational improvements to enhance value. Our strong balance sheet and investment pipeline together with our in place management company will allow us to continue to grow our portfolio as we have in the past."

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 131 apartment communities with 30,630 units in Pennsylvania, Delaware, New Jersey, New York, Ohio, Indiana, Maryland, South Carolina, Virginia and Nebraska.

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