



InSITES

ONE OF THE NATION'S LEADING REAL ESTATE FUND MANAGERS

Second Quarter
2009



Tower Point at the Highlands, Sparks, MD

BPG Completes 113,058 SF of Leasing at Tower Point in Maryland

During the second quarter 2009, BPG completed long-term lease renewals totaling 113,058 square feet at Tower Point at the Highlands, a three building office campus situated a short distance off of the Shawan Road Exit of Interstate 83 near Hunt Valley Towne Centre in Sparks, Maryland, approximately 15 miles northwest of Baltimore.

The larger of the transactions was completed with Fundamental Administrative Services, LLC (Fundamental) for 94,701 square feet, representing the entire three-story 920 Ridgebrook Road building. The other transaction was completed with Symphony Diagnostic Services, Inc., doing business as MobilexUSA, and totaled 18,357 square feet at 930

Ridgebrook Road, a 72,406 square foot office building.

The lease transaction with Fundamental allowed the firm to consolidate their operations that were spread over two buildings at Tower Point into one and redesign their space for greater efficiency and improved departmental synergy.

Fundamental was represented in the lease negotiations by Richie Blue of Blue & Obrecht Realty, LLC. Athan Sunderland of Preston Partners, Inc. represented MobilexUSA in the lease negotiations. The landlord was represented by Hayes Merkert, Athan Sunderland and Danielle Schline of Preston Partners, Inc., the property's exclusive leasing agents.

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BPG Supports the National Kidney Foundation on Two Coasts

On June 6, 2009, BPG co-sponsored the Second Annual Cityview Plaza Kidney Walk & Run with CB Richard Ellis. The event was held at BPG's Cityview Plaza, a 600,000 square foot office and retail development situated on 11-acres, in the heart of downtown San Jose's business district. Over 800 walkers, sponsors and members of corporate and family teams participated in the one day event that raised \$160,000 for the National Kidney Foundation serving the Silicon Valley, California Region. The event included a Wellness Fair sponsored by Satellite Healthcare that provided free kidney health screenings.

The event was hosted by Dave Stoelk of CBS 5's Eye on

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BPG SUPPORTS NATIONAL KIDNEY FOUNDATION
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the Bay and Sam & Lissa of the KBAY Morning Show.

“We are pleased to partner with the National Kidney Foundation in helping to raise funds for research in kidney diagnosis and treatment and increase awareness to the high incidence of kidney disease,” commented Andrew J. White, senior vice president in charge of BPG’s Los Angeles Regional Office.

On the East Coast, BPG and many of its vendors, tenants and service providers will once again partner with the National Kidney Foundation on October 4, 2009 for the 8th Annual Kidney Walk at the Philadelphia Zoo.



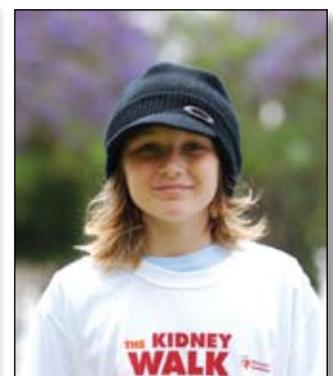
Start of Kidney Walk at Cityview Plaza San Jose, CA

BPG would like to extend its thanks to the managers of Madison Apartment Group who are operating BPG’s Pennsylvania multi-family communities and to their many residents who are actively participating and raising funds. Special thanks to Kidney Walk corporate sponsor chair Doug Hoffman,

president of BPG Management Company, for his participation and leadership.

One in nine Americans has chronic kidney disease and many others are at risk. These walk events present an occasion for dialysis patients, organ transplant recipients, donor families, living donors, medical communities and the general public to celebrate life and support the National Kidney Foundation’s mission.

For more information on the Foundation or to support the upcoming Kidney Walk at the Philadelphia Zoo, please visit www.kidney.org.



Photos above show Kidney Walk volunteers and participants at Cityview Plaza, San Jose, CA

BPG Names Fitzgerald as Head of Washington D.C. Regional Office

In the second quarter 2009, BPG named Brian J. Fitzgerald as vice president and head of the firm's Washington, D.C. Regional Office.

Mr. Fitzgerald will be responsible for directing the redevelopment, leasing and management of BPG's Washington, D.C. portfolio and overseeing the firm's regional office staff of asset managers, development professionals and property managers. He succeeds Roy C. Perry, senior vice president of acquisitions for BPG, who was serving as the interim head of the office for the past nine months. Mr. Perry has returned to his role as head of East Coast acquisitions.

Prior to joining BPG, Mr. Fitzgerald was the senior vice president and director of leasing at The JBG Companies, where he was responsible for overseeing the development and leasing of eight million square



feet of existing commercial space and participating in the planning stage for more than 10 million square feet of future development projects. Prior to joining JBG, Mr. Fitzgerald worked for the Washington Real Estate Investment Trust as a managing director responsible for the leasing of a 60 building, eight million square foot portfolio. He started his commercial real estate career in 1984 with the Smithy Braedon Company.

Mr. Fitzgerald is a licensed real estate broker in Maryland and Virginia. He serves on the board of directors for the National Association of Industrial and Office Properties (NAIOP) of Northern

Virginia and is a senior advisory council member for the Greater Washington Commercial Association of Realtors. He also serves as a member on the Real Estate Round Table for the Trust for the National Mall. ■

Madison Completes Upgrades in Kansas City

Madison Apartment Group, L.P. (Madison), BPG's multi-family operating arm, has completed \$3 million in renovations at three multi-family communities, totaling 483 units, located in the suburbs of Kansas City, Missouri and Kansas City, Kansas. The three communities are situated in Johnson and Jackson Counties and include Madison at Woodridge, a 248 unit community, Madison at Mill Creek, a 119 unit community, and Madison at Woodlands, a 116 unit community.

The renovations commenced in the first quarter of 2008 and included exterior painting, wood replacement and new roofs on all the buildings. The landscaping was revitalized and new signage and energy efficient lighting was added throughout (*see photos on right*). Amenities at the communities were improved including pool and deck resurfacing and tennis court renovations at Madison at Woodridge.

Apartment interiors were also renovated with new carpets, kitchen upgrades and the replacement of balconies at Madison at Mill Creek.

Occupancy rates have remained in excess of 93 percent since BPG's acquisition in the third quarter

2007. The acquisition was made on behalf of BPG Investment Partnership VIII and VIIIA, L.P., a fully discretionary private equity fund with total equity commitments of \$850 million. ■



Madison at Woodlands, Kansas City, MO

^ AFTER
< BEFORE



Hoffman Elected Secretary of BOMA Philadelphia

Douglas Hoffman, president of BPG Management Company, L.P., has been elected as Secretary of BOMA (Building Owners and Management Association) Philadelphia, one of the largest property management organizations in the Philadelphia area. Founded in 1916 to serve the real estate communities of Delaware, Southern New Jersey and Greater Philadelphia, BOMA provides education, networking and support to all levels of building management.

From 1995 to 2005, Mr. Hoffman held several Board of Director positions with the Institute of Real Estate Management (IREM). Currently, he is a board member with both the Central New Jersey Council, Boy Scouts of America and the National Kidney Foundation of the Delaware Valley. ■

New Hires

BPG Properties, Ltd.
Brian Fitzgerald, *Vice President*

Madison Apartment Group, L.P.
Mary Bradley, *Regional Vice President*

BPG WOULD LIKE TO THANK THE FOLLOWING BROKERS AND THEIR FIRMS FOR HELPING US LEASE 945,219 SQUARE FEET IN THE 2ND QUARTER 2009:

Aegis Property Group (PA)	Kim Harris and Jim Kinzig
The Axiant Group (CA)	Robert Larscheid
Blue & Obrecht Realty (MD)	Richie Blue
Boston Realty Advisors (MA)	Wil Caitlin
Bradford Allen Real Estate Services (IL)	Ben Azulay, Jeff Bernstein and Andrew DeMoss
CB Richard Ellis (AZ)	Pat Devine, Nate Goldfarb, Greg Mayer and Jerry Noble
CB Richard Ellis (FL)	Joe Ayers and Ashley Way
CB Richard Ellis (GA)	Ryan Hudson
CB Richard Ellis (IL)	Nick Arterburn
CB Richard Ellis (MA)	Andy Majewski, Matt Siciliano and Rob Walles
CB Richard Ellis (NJ)	Marc Trevisan
Colliers International (CA)	Jim Beeger, Dion Campisi and Susan Gregory
Colliers Turley Martin & Tucker (IN)	Andy Martin and Bennett Williams
Collier Turley Martin & Tucker (MO)	Piers Pritchard and Jay Holland
Cornish & Carey Commercial (CA)	Daniel Pivnick
Cushman & Wakefield (CA)	Charlie Allen and Ryan Hattersley
Cushman & Wakefield (MA)	Matt Adams, Rich Ruggiero, Torin Taylor and Rory Walsh
Cushman & Wakefield (MN)	Jason Butterfield
Dover International (FL)	Adolfo Pereira III
Dan Granot & Company (GA)	Dan Granot
Fisher & Company (NJ)	Jonathan Bonine
First Service Williams (NJ)	John Cunningham
Grubb & Ellis (AZ)	John Bonnell, Jason Moore and Don Mudd
Grubb & Ellis (GA)	Allen Brown, Justen Cimino and Tom Miller
Grubb & Ellis (MA)	Karyn McFarland
Grubb & Ellis (PA)	Elaine Battaglia and John Perkins
GVA Advantis (GA)	Ann Cameron
Hughes Commercial Real Estate (GA)	Tommy Hughes
Jones Lang LaSalle (IN)	John Robinson and Jake Sturman
Jones Lang LaSalle (MA)	Ben Heller, Matt Giffune, John McHugh, Patrick Nugent and Dan Kollar
Kane Realty Group (NC)	Steve Brown
McShea & Company, Inc. (MD)	Richard Dickman and Richard Wrightson
NAI Brannen Goddard (GA)	Charles Bagwell, David Beak, Darren Butler and Stephen Pond
NAI Geis Realty Group, Inc. (PA)	Jim Eaton and Charles Tarloski
Pickett Sprouse (NC)	Vernon Averette
Pointline, Inc. (NC)	Shirley Smith
Preston Partners, Inc. (MD)	Hayes Merkert, Danielle Schline and Athan Sunderland
Prudential Georgia Realty (GA)	Peter Glover
Realty Executives (AZ)	Brigitte Rapatz
Richards Barry Joyce & Partners (MA)	Ron Friedman
Segal Real Estate (NJ)	Ann Labate
Studley (CA)	Elizabeth Davis
Tri Properties (NC)	Tim Capps
UGI-Equis (IN)	Brian Askins

Madison Transforms Madison at Montgomery

Madison Apartment Group, L.P. (Madison) is nearing completion of the most extensive apartment renovation project in the firm's eight year history with the redevelopment of Madison at Montgomery, a 264 unit multi-family community, located on 18-acres within Hatfield Township in the northern suburbs of Philadelphia, Pennsylvania.

The \$16 million redevelopment, which began in October 2007, required the vacating of all residents of the complex. The building's dated brick veneer facades, many of which were exhibiting structural failure at the time of acquisition, were removed and replaced with durable masonry siding and fieldstone knee walls. New larger Energy Star rated windows were added for greater natural light. New steeper pitched roof trusses were also added along with dormer windows to improve and modernize the overall aesthetic.

The interior of the apartment units were completely rebuilt and rewired. Wall unit air conditioning and electric baseboard heat was replaced by more energy efficient and programmable central HVAC package units. The interior layouts were redesigned to allow for a more open plan and greater functional space. New Whirlpool Energy Star appliances were installed in the units along with new water saving fixtures, extensive added insulation, new cabinetry, countertops, flooring and lighting throughout.

The community also received new sidewalks, curbs, landscaping and site lighting, giving the overall exterior a streamlined look. The remaining renovations include the addition of a 4,000 square foot management office and clubhouse. The municipal land development approval was recently obtained and construction is expected to commence during the third quarter of 2009. When completed, the clubhouse will include a fitness center, community room, resident business center and large outdoor pool.

Community and resident reaction to the renovations has been overwhelmingly positive. Despite the on-going construction during the past year, leasing has been strong with an average of three leases per week with rents starting at approximately \$1,000 per month. ■



AFTER ^
BEFORE >



< *AFTER*
v *BEFORE*



Currently, there are two floors, totaling approximately 54,000 square feet, available at 930 Ridgebrook.

BPG acquired the three building, 221,234 square foot Class A office campus in the first quarter 2005 on behalf of BPG Investment Partnership VI, L.P., a \$384 million private equity fund. Since the acquisition, the firm sold 910 Ridgebrook Road, a 56,000 square foot office building to an owner-user. Recently, BPG also

obtained municipal approvals to develop up to 103,000 square feet of additional office space at a newly entitled site adjacent to the existing buildings.

The 60-acre corporate park is in close proximity to Hunt Valley Towne Centre, a new lifestyle center offering a wide range of eateries and shopping opportunities. The surrounding area includes some of the most exclusive housing in the Baltimore suburbs. ■



Tower Point at the Highlands, 930 Ridgebrook Road, Sparks, MD



If you prefer to receive an electronic newsletter via e-mail please e-mail shaefner@bpgltd.com or call (215) 575-2387.

BPG PROPERTIES, LTD. is one of the nation's leading private equity real estate fund managers. BPG's portfolio consists of over 20 million square feet of office, retail, student housing, and industrial properties and more than 25,000 apartment units in more than 100 communities located throughout the United States.

PHILADELPHIA | YARDLEY | CHICAGO | WASHINGTON, D.C. | LOS ANGELES
RALEIGH | ATLANTA | BOSTON

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