

The Blackstone Group®

Blackstone signs 50,000sf pre-let with INTO UEA

INTO UEA LLP a joint venture between INTO University Partnerships Ltd and University of East Anglia have signed an agreement to lease 50,000sf of classroom space at Blackstone's and Generation Estates' 323,000sf Nido student living campus at 100 Middlesex Street in Spitalfields (www.nidostudentliving.com)

Blackstone are developing a turnkey solution for INTO UEA and INTO City (a JV between IUP and City University) for opening in January 2010 to provide foundation courses for international students wishing to access undergraduate and post-graduate studies at both the University of East Anglia and City University.

INTO UEA LLP have agreed to take a 20 year, RPI linked, lease on the 50,000 sqft building. Newton Perkins acted for INTO UEA and BH2 and BNP Paribas Real Estate acted for Blackstone.

A spokesman for INTO said " this is the perfect location to continue our expansion into the UK market. We love the building and Blackstone's concept for an integrated student facility fits neatly with our business model"

"Our Nido Student Living platform is a growth business that benefits from the defensive, non-cyclical nature of the higher education sector. Both teams have done a great job over the last few months working through the detail of this transaction. Considering the current soft nature of the City office market we are delighted to have secured a pre-let for the office building one year prior to PC. INTO has an interesting business model and we look forward to exploring additional areas for growth in the future ": says Stuart Grant, Managing Director for The Blackstone Real Estate Group in London

Back up information for Editors:

In 2004 The Blackstone Group's Real Estate business identified an opportunity to reinvent the student accommodation experience by launching two "Nido" developments in the heart of London's Kings Cross and in Spitalfields. 'Nido' offers students a unique high standard living product expected in today's world. Nido offers personal studio living space with high speed internet connection, interior designed rooms, on site gym and canteen, classroom space, amazing views across the city and above all a safe and secure community living environment in the centre of London.

The asset management company is Generation Estates. The scheme architect is TP Bennett.

From 1994 to 2008 the number of students in London has grown by 4% per annum with expectation for continued growth. (Source: Higher Education Statistics Agency)

- There are currently 43,000 institutionally owned and operated student beds in London running at 100% occupancy
- There are approximately 249,000 full time students in Central London
- Approx 82,000 higher education students in London are from overseas
- 32,000 Chinese students are currently studying in the UK - up 62% since 1998

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About Blackstone Real Estate

In 1992, Blackstone formed its Real Estate Group, which closed its first fund with \$338 million. Today, our Real Estate business has AUM of approximately \$23 billion and is the largest owner, operator and franchisor of hotels in the world, with approximately 3,800 individual properties and around 615,000 rooms in total. Our hotel brands cover all segments of the industry, ranging from limited service to super-luxury. We have also become one of the largest owners of office buildings in the U.S., with approximately 52m sq. ft. of office space. Additional holdings also include retail properties, distribution and warehousing facilities and a variety of real estate operating companies.

In 2007 Blackstone established Blackstone Real Estate Special Situations Advisors (BSSF) to target global non-controlling debt and equity investment opportunities in the public and private markets. Its investment portfolio is expected to consist of a variety of real estate-related securities, including mezzanine debt, publicly traded debt securities, whole loans, preferred equity, bridge equity, publicly traded equity securities and joint venture equity

About The Blackstone Group

Blackstone is one of the world's leading investment and advisory firms. We seek to create positive economic impact and long-term value for our investors, the companies we invest in, the companies we advise and the broader global economy. We do this through the commitment of our extraordinary people and flexible capital. Our alternative asset management businesses include the management of corporate private equity funds, real estate funds, funds of hedge funds, credit-oriented funds, collateralized loan obligation vehicles (CLOs) and closed-end mutual funds. The

Blackstone Group also provides various financial advisory services, including mergers and acquisitions advisory, restructuring and reorganization advisory and fund placement services. Further information is available at www.blackstone.com.

About INTO

INTO is a private sector, partnering organisation transforming the internationalisation strategies and student experience of its university partners worldwide, through a £1 billion investment programme. At the heart of an INTO partnership is a transformational capacity building agenda enabling the University to deliver a world class and authentic student experience. INTO Centres are colleges of the partner university, with responsibility for academic standards vested in the university. Launched in February 2006, INTO has established five centres in partnership with the Universities of East Anglia, Exeter, Newcastle, Manchester and Glasgow Caledonian. The organisation expects to announce more Centres in the UK and globally during 2008.