



October 18, 2010

Owners Notice to Subcontractors and Suppliers

Hines|Archstone, the Owner and developer of CityCenterDC (www.citycenterdc.com), has an agreement with Clark/Smoot at CityCenter, a Joint Venture (JV), to act as the general contractor for the construction of the CityCenterDC project. The project has been designed and documents prepared into four separate packages:

- Package 1. Office Buildings. Two buildings, 11 stories tall with approximately 296,000 SF each. Office structure, stone, and elevators to be bid with Package 4.
- Package 2. Rental Buildings. Two buildings, also 11 stories tall with approximately 290,000 SF each. There are 458 apartments between the 2 buildings. Structure and elevators to be bid with Package 4.
- Package 3. Condominium Buildings. Two buildings, one 11 stories tall and approximately 200,000 SF, the other, 10 stories with 195,000 SF. There are 216 condo units between the 2 buildings. Structure and elevators to be bid with Package 4.
- Package 4. Below Grade/Common Areas. Four levels of below grade parking and loading at 915,000 SF and nearly 6 acres of landscaping and paving of streets, sidewalks, and parks. Included with this bid will be all structures and elevators plus the stone for both the Office and the Common Areas.

Each of these packages is a sizeable project by itself, therefore each bid package will have a separate bid period to allow for subcontractor participation on multiple bid packages. The total bid period for the 4 packages will extend over several months starting October 18, 2011. Clark/Smoot will be providing directions and scheduling for each package.

The Owner will take an active part in the selection of subcontractors for this project and has been working closely with Clark/Smoot to assure our team and the subcontractor community of a fair and well-organized bid process. We respect Clark/Smoot's expertise in this area and look forward to an exciting, inclusive approach to pricing this project.

CityCenterDC has a targeted Local Small and Disadvantaged Business Enterprise (LSDBE) goal of 35% and First Source Employment goal of 50% of new hires pursuant to agreements with the District of Columbia. Because the Owner and Clark/Smoot intend to achieve or better these goals, the project was prepared in the multiple packages described above to provide a greater opportunity for participation by small firms. Subcontractors are encouraged to become certified as a LSDBE or form joint ventures with LSDBEs in accordance with DC government regulations and the requirements of this project.

Prior to the General Contractor receiving a Notice to Commence on the project, the Owner must establish a Guaranteed Maximum Price (GMP) with the General Contractor for each package. Once

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the GMP's are established, certain final approvals will be required from the project's key investor and the District of Columbia. This approval process is expected to take a period of time from assembly of the construction contracts and the last bid package. We hope that the bidders understand that Hines|Archstone and Clark/Smoot will be completing 4 bids and 4 GMP's concurrently. We request that you be patient during this period.

The Owner expects to approve awards and provide Clark/Smoot JV a notice to proceed in the second quarter of 2011 pending completion of all necessary conditions.

Sincerely,

Hines


Michael Greene
Vice President, Construction

Archstone


Steve Thompson
AVP Mixed Use East Group