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FOR IMMEDIATE RELEASE

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The Carlyle Group and Means Knaus Partners to Develop Two Office buildings in Houston, a \$75 Million, 300,000sf Office Project in Oak Park at Westchase

Houston and Washington, DC – Global private equity firm The Carlyle Group and Means Knaus Partners, L.P., a Texas-based real estate services and investment firm, today announced they have formed a joint venture to develop “ One Oak Park & Two Oak Park”, a \$75 million, 300,000 sf, two-building office project in the Westchase submarket of West Houston. Carlyle will be the primary capital provider and Means Knaus will serve as operating partner and developer. Oak Park has easy access to I-10, US 59, Beltway 8 and the Westpark Tollway. Groundbreaking is scheduled for January 2008, with first-phase occupancy slated for December 2008.

“This 8.4-acre site is the last tract to be developed in Oak Park at Westchase and the preeminent site in the park,” said Peyton Collins, Managing Director of Means Knaus.

Carlyle Principal Tommy Ellis said, “We’re pleased to partner with Means Knaus on this significant project in a prime location. Houston has strong economic fundamentals led by employment growth and good supply / demand dynamics. We see solid fundamentals for all sectors -- office, hotel, industrial, retail and industrial – and expect that Carlyle will add to its investment portfolio in Houston.”

The first phase is a Class A, 150,000-square-foot, six-story office and garage project. Both structures will be built to Leadership in Energy and Environmental Design specifications and will seek LEED-NC silver certification, the national benchmark for the design, construction and operation of high-performance “green” buildings. Glass on the building exterior will be Low-E, [low-emittance] rejecting infrared light and creating a cool, energy-saving environment.

Site development of the Corporate Center at Oak Park includes water features, a courtyard and pedestrian plaza and a landscape design incorporating mature oak trees. Means Knaus Partners and St. Joe Commercial were the initial developers of Oak Park at Westchase development. Their devotion to environmental sensitivity after relocating 325 oak trees during the first development phase has been recognized in awards from Trees of Houston, The Park People and the Houston Legacy Award.

Gensler is the project architect with Colville Office Properties as the leasing agent. Tribble and Stephens Company is the contractor, and Holliday Fenoglio Fowler, LP, has arranged the financing for the development with Amegy Bank.

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Means Knaus Partners

Means Knaus Partners, L.P., is a privately held commercial real estate investment and services firm providing creative, full-service solutions to its valued partners and clients through offices in Dallas, Houston and Denver. The firm's office portfolio under management is over 4.5 million square feet.

The Carlyle Group

The Carlyle Group is a global private equity firm with \$75.6 billion under management committed to 55 funds. Carlyle invests in buyouts, venture & growth capital, real estate and leveraged finance in Africa, Asia, Australia, Europe, North America and South America focusing on aerospace & defense, automotive & transportation, consumer & retail, energy & power, financial services, healthcare, industrial, infrastructure, technology & business services and telecommunications & media. Since 1987, the firm has invested \$32.3 billion of equity in 686 transactions for a total purchase price of \$157.7 billion. The Carlyle Group employs more than 900 people in 21 countries. In the aggregate, Carlyle portfolio companies have more than \$87 billion in revenue and employ more than 286,000 people around the world. www.carlyle.com

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