



FAIRFIELD RESIDENTIAL ANNOUNCES CONFIRMATION OF PLAN OF REORGANIZATION

Company Expects to Emerge from Chapter 11 by August 1

SAN DIEGO, July 6, 2010 – Fairfield Residential LLC (“Fairfield” or “the Company”) today announced that the United States Bankruptcy Court has confirmed the Company’s Plan of Reorganization. Fairfield expects to emerge from Chapter 11 protection by August 1, 2010.

“The Court’s confirmation of our Plan of Reorganization, which follows virtually unanimous approval by our creditors, is a significant milestone in our restructuring process,” said Christopher Hashioka, Fairfield’s chief executive officer and president. “With the confirmation of our Plan, supported by new equity from Brookfield Asset Management and our long-standing partner, California State Teachers’ Retirement System (CalSTRS), we are now well positioned to complete our restructuring as planned, maximize value for all of our stakeholders, and continue to be an active player in the multifamily real estate industry in the future.”

Under the terms of the Plan of Reorganization, Fairfield will receive a new money investment that will enable the Company to commence creditor payouts, maintain its property management, asset management, construction services and general partner functions and complete future real estate acquisitions following Fairfield’s emergence from Chapter 11 protection.

Fairfield filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code on December 13, 2009. Fairfield’s case number is 09-14378. Paul, Hastings, Janofsky & Walker LLP, Imperial Capital, LLC and FTI Consulting Inc are advising Fairfield in its restructuring. Additional information about the Company’s Chapter 11 proceedings is available at <http://www.kccllc.net/fairfield>.

About Fairfield Residential LLC

Fairfield Residential LLC is among the largest multifamily real estate operating companies in the U.S. The company is privately held and provides acquisition, entitlement, development, construction, redevelopment, property management, asset management and disposition services to its clients.

Fairfield specializes in mixed-use, transit-oriented attached housing communities and offers a diversified product line including new construction of luxury apartment homes, university student housing, tax credit affordable housing properties, and redeveloped apartment homes in urban and suburban infill neighborhoods.

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