

GMH Communities Trust

Housing, Lifestyle, and Community Solutions

**Supplemental Information Package
4th Quarter / Year End 2006**

Blackfoot Hill

www.gmhcommunities.com

GMH COMMUNITIES TRUST
December 31, 2006

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Stock Exchange Listing
New York Stock Exchange

Trading Symbol
GCT

4th Quarter 2006 Highlights and Subsequent Developments

On October 2, 2006, the Company entered into a \$250 million secured revolving line of credit with Wachovia Bank, N.A. We used \$128 million of borrowings to repay the outstanding indebtedness under, and to terminate, the Company's former syndicated credit facility with Bank of America N.A. as administrative agent. In addition, the line was used to fund the Company's previously announced Capstone portfolio acquisition and the Company's 2006 third and fourth quarter dividend distributions. The remaining capacity is available for certain limited pre-approved capital needs and subject to Wachovia's agreement, future working capital needs. Interest under the line of credit is based on LIBOR plus 2% through the initial maturity date of June 1, 2007. The line of credit may be extended for up to an additional four months, provided an extension fee is paid and the applicable interest rate increases to LIBOR plus 4.5%. For additional information regarding the terms of the line of credit and applicable extension options, see our Annual Report or Form 10-K for the fiscal year ended December 31, 2006.

On October 10, 2006, our student housing division acquired ten of the eleven properties included in the Capstone portfolio. The portfolio consists of a total of 2,214 units and 7,194 beds for an aggregate purchase price of \$223 million. This portfolio acquisition was financed through the placement of new mortgage debt on the properties totaling \$173.4 million and borrowings under our credit facility, as described above. The eleventh property was purchased on October 31, 2006, completing the acquisition of the Capstone portfolio.

On October 23, 2006, our military housing division was selected by the Department of the Army to design, construct and manage single soldier housing at Fort Bliss in El Paso, Texas and Fort Stewart in Hinesville, Georgia. We expect to build up to 470 and 370 single soldier units at Fort Bliss and Fort Stewart, respectively.

On November 20, 2006, our student housing division acquired Cambridge at Southern in Statesboro, Georgia for a purchase price of \$24.2 million. This purpose-built property, with a total of 228 units and 564 beds, was newly constructed in 2006 and serves Georgia Southern University. The acquisition was financed through the placement of new mortgage debt totaling \$18.4 million and borrowings under our credit facility.

On November 30, 2006, our military housing division announced the expansion of our Fort Carson military housing privatization project located in Colorado Springs, CO. The expansion is for an additional three-year initial development period (IDP) and will assist in meeting the housing needs of Fort Carson based upon the strategic restationing decisions made by the Department of the Army and the 2005 Base Realignment and Closure (BRAC) recommendations. The project will consist of the construction of 396 new end-state housing units. Upon completion, Fort Carson will have an aggregate of 3,060 end-state housing units. Total project costs for the additional three-year IDP are estimated to be approximately \$124 million, and financing for the design, development and construction/renovation of the housing units has been secured by the project.

On January 26, 2007, we acquired a 50.1-acre land parcel located adjacent to The View, a currently-owned student housing property located in Lincoln, Nebraska and serving the University of Nebraska, for a total purchase price of approximately \$1.3 million.

On February 6, 2007, we closed on our Air Education and Training Command (AETC) Group I project with the U.S. Air Force, a military housing privatization project that covers four bases and 2,875 end-state housing units. The AETC Group I project represents our first military housing project with the Department of the Air Force. The 50-year term of the project commences with a five-year IDP that includes the design, construction, and/or renovation of, as well as the overall management and operational responsibilities over the end-state housing units. We invested \$8.0 million for our 80% interest in our joint venture entity with the Air Force that owns the rights to this project.

On February 26, 2007, our military housing division announced that it has been selected by The Department of the Navy to enter into exclusive negotiations for the design, construction, management and maintenance of the military family housing at 11 Southeast Region Navy bases in five states. The 50-year term of the project will commence with a six-year IDP that is valued in excess of \$700 million, making this initiative one of the largest public-private venture housing initiatives to date. Throughout the term of the Navy Southeast Region project, we will earn management, construction/renovation and development fees.

On March 5, 2007, we completed the refinancing of four currently owned student housing properties. Under the refinancing, we placed an aggregate of \$90 million in mortgage indebtedness on the properties, with each loan having a 10-year, interest-only term and bearing a fixed interest rate of 5.6%. We realized net proceeds from the refinancing of \$73.6 million that were used to repay an equal amount of outstanding borrowings under our line of credit.

On March 9, 2007, our military housing division announced that it has been selected by The Department of the Army to design, construct and manage military family housing at the U.S. Military Academy in West Point, NY. The project is expected to have a five-year IDP with project costs valued in excess of \$160 million, and to cover 628 end-state housing units. The 50-year project will involve the development, management and construction and renovation of high-quality homes and other ancillary facilities and amenities to meet the needs of the West Point community.

Financial Summary

(in thousands, except per share data)

	<u>Three months ended</u> <u>December 31, 2006</u>	<u>Twelve months ended</u> <u>December 31, 2006</u>
Revenue:	\$ 81,433	\$ 293,131
Net loss:	\$ (1,293)	\$ (4,986)
Earnings per Common Share:		
Basic	\$ (0.03)	\$ (0.12)
Diluted	\$ (0.03)	\$ (0.12)
FFO	\$ 9,796	\$ 34,140
FFO per share/unit - fully diluted	\$ 0.13	\$ 0.47

Funds from Operations (FFO)

FFO is a widely recognized measure of REIT performance. Although FFO is a non-GAAP financial measure, we believe that information regarding FFO is helpful to shareholders and potential investors. We compute FFO in accordance with standards established by the National Association of Real Estate Investment Trusts (NAREIT), which may not be comparable to FFO reported by other REITs that do not compute FFO in accordance with the NAREIT definition, or that interpret the NAREIT definition differently than we do. NAREIT defines FFO as net income (loss) before minority interest expense, excluding gains (losses) on sales of depreciable operating property and extraordinary items (computed in accordance with GAAP); plus real estate related depreciation and amortization (excluding amortization of deferred financing costs), and after adjustment for unconsolidated partnerships and joint ventures. The GAAP measure that we believe to be most directly comparable to FFO is net income (loss), which includes depreciation and amortization expense, gains or losses on property sales and minority interest. In computing FFO, we eliminate these items because, in our view, they are not indicative of the results from our property operations. To facilitate a clear understanding of our historical operating results, FFO should be examined in conjunction with net income (loss) (determined in accordance with GAAP) as presented in the financial statements included elsewhere in this supplemental information package and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2006. FFO does not represent cash generated from operating activities in accordance with GAAP and should not be considered to be an alternative to net income (loss) (determined in accordance with GAAP) as a measure of the Company's liquidity, nor is it indicative of funds available for our cash needs, including our ability to make cash distributions to shareholders.

Adjusted Funds from Operations (AFFO)

AFFO is a computation often made by REIT analysts and investors to measure a real estate company's cash-flow generated from operations and its ability to pay dividends. We calculate AFFO by subtracting from or adding to FFO normalized recurring expenditures that are capitalized or deferred by the REIT and then depreciated or amortized, but which are necessary to maintain the REIT's properties and its revenue stream (e.g., depreciation of non-real estate assets, amortization of deferred financing costs and non-development capital expenditures.)

Net Operating Income (NOI)

Net Operating Income or "NOI", a non-GAAP financial measure, is defined as a property's gross income less operating expenses. Gross income includes both rental and other property income; and operating expenses exclude interest, depreciation, and amortization, but include repairs and maintenance, insurance, utilities, supplies, property taxes, etc. Management believes that the most directly comparable GAAP measure to NOI is net income (loss), and that NOI is a useful measure for calculating capitalization rates (as discussed below) because it provides the Company with a measure of profitability for a property (primarily by removing the impact of non-cash charges such as depreciation and amortization), and enables management to analyze a comparable return on the purchase price paid for a property. NOI as calculated by us may not be comparable to NOI calculated by other companies that do not define NOI as we define the term. NOI does not represent cash generated from a property determined in accordance with GAAP, and should not be considered as an alternative to operating income or net income determined in accordance with GAAP or as an alternative to cash flows derived from a property.

Capitalization Rates (Cap Rates)

Capitalization rates, or cap rates, are calculated by dividing estimated net operating income (NOI) for the first full twelve-months subsequent to the date of a property acquisition (excluding management fee expense and capital expenditure reserves), by the contract purchase price for the property. Due to the forward-looking nature of the subsequent twelve-month NOI used in this calculation, actual cap rates achieved on the properties may differ significantly from the originally estimated cap rates projected by management at the time of the acquisition. Factors which may cause the actual cap rates to differ from management's projections include, but are not limited to, changes in anticipated occupancy levels and rental rates for the property, and differences in actual versus budgeted operating expenses. Cap rates are calculated based on estimates prepared by management at the time a property is acquired, and the Company undertakes no obligation to update any of these forward-looking cap rates to reflect events or circumstances after the date of such acquisitions.

Forward-Looking Statements

When used in this communication or other written or oral communications, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project" or similar expressions are intended to identify "forward-looking statements" and, as such, may involve known and unknown risks, uncertainties and assumptions.

These forward-looking statements are subject to various risks and uncertainties, including, but not limited to, those relating to: general volatility of the capital markets and the market price of our common shares; changes in our business strategy; availability, terms and deployment of capital; availability of qualified personnel; changes in our industry, interest rates, or the general economy; competition; and the other risks relating to our business and structure as discussed in our filings with the Securities and Exchange Commission.

All forward-looking statements speak only as to the date they are made and the Company does not undertake, and specifically disclaims, any obligation to update any forward-looking statement to reflect events or circumstances after the date of such statements, except as required by law. Readers are cautioned that the Company's actual results could differ materially from those set forth in such forward-looking statements.

This supplemental report contains historical information based upon the books of account of the Company and is intended to supplement the Company's Annual Report on Form 10-K for the twelve months ended December 31, 2006. This report is best read in conjunction with our periodic reports filed with the Securities and Exchange Commission, since this document does not contain certain explanatory notes that will appear in those other documents.

GMH COMMUNITIES TRUST
CONSOLIDATED BALANCE SHEETS
(in thousands)

	December 31, 2006 (audited)	December 31, 2005 (audited)
ASSETS		
Real estate investments:		
Student housing properties	\$ 1,659,422	\$ 1,210,255
Accumulated depreciation	(66,855)	(29,039)
	<u>1,592,567</u>	<u>1,181,216</u>
Corporate assets:		
Corporate assets	9,427	8,178
Accumulated depreciation	(1,002)	(565)
	<u>8,425</u>	<u>7,613</u>
Cash and cash equivalents	22,539	2,240
Restricted cash	16,955	11,625
Accounts and other receivables:		
Related party	17,131	19,191
Third party	2,762	2,925
Investments in military housing projects	37,987	37,828
Deferred contract costs	2,480	1,063
Deferred financing costs, net	5,103	4,088
Lease intangibles, net	2,468	3,201
Deposits	907	2,856
Other assets	4,666	4,105
Total assets	<u>\$ 1,713,990</u>	<u>\$ 1,277,951</u>
LIABILITIES AND BENEFICIARIES' EQUITY		
Notes payable	\$ 1,028,290	\$ 692,069
Line of credit	199,435	36,000
Accounts payable:		
Third party	3,213	5,566
Accrued expenses	27,257	21,253
Dividends and distributions payable	12,077	16,227
Other liabilities	28,446	21,337
Total liabilities	<u>1,298,718</u>	<u>792,452</u>
Minority interest	157,972	188,633
Beneficiaries' equity:		
Common shares	42	40
Additional paid-in capital	325,347	325,135
Cumulative earnings	1,324	6,310
Cumulative distributions	(69,413)	(34,619)
Total beneficiaries' equity	<u>257,300</u>	<u>296,866</u>
Total liabilities and beneficiaries' equity	<u>\$ 1,713,990</u>	<u>\$ 1,277,951</u>

GMH COMMUNITIES TRUST
CONSOLIDATED STATEMENT OF OPERATIONS
Three and twelve months ended December 31, 2006
(audited, in thousands, except share and per share information)

	<u>Three months ended</u> <u>December 31, 2006</u>	<u>Twelve months ended</u> <u>December 31, 2006</u>
REVENUE:		
Rent and other property income	\$ 55,220	\$ 189,041
Expense reimbursements:		
Related party	15,866	64,230
Third party	1,323	6,013
Management fees:		
Related party	2,210	8,481
Third party	746	3,167
Other fee income- related party	5,758	21,635
Other income	310	564
Total revenue	<u>81,433</u>	<u>293,131</u>
OPERATING EXPENSES:		
Property operating expenses	23,314	87,845
Reimbursed expenses	17,189	70,243
Real estate taxes	4,968	18,010
Administrative expenses	4,548	17,682
Audit Committee and Special Committee expenses	1,123	7,821
Depreciation and amortization	12,490	43,830
Interest	19,556	55,333
Total operating expenses	<u>83,188</u>	<u>300,764</u>
Loss before equity in earnings of unconsolidated entities, income taxes and minority interest	(1,755)	(7,633)
Equity in earnings of unconsolidated entities	673	3,523
Loss before income taxes and minority interest	(1,082)	(4,110)
Income taxes	1,239	4,733
Loss before minority interest	(2,321)	(8,843)
Minority interest	(1,028)	(3,857)
Net loss	<u>\$ (1,293)</u>	<u>\$ (4,986)</u>
PER SHARE INFORMATION:		
Basic earnings per common share	<u>\$ (0.03)</u>	<u>\$ (0.12)</u>
Basic weighted-average shares outstanding	<u>41,494,521</u>	<u>40,889,508</u>
Diluted earnings per common share	<u>\$ (0.03)</u>	<u>\$ (0.12)</u>
Diluted weighted-average shares/units outstanding	<u>73,129,171</u>	<u>73,344,995</u>

GMH COMMUNITIES TRUST
CONSOLIDATED STATEMENT OF CASH FLOWS
Twelve months ended December 31, 2006
(audited, in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss	\$ (4,986)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	38,280
Amortization:	
Lease intangibles	5,167
Notes payable fair value adjustment	(2,511)
Deferred loan costs	4,040
Restricted stock	260
Other amortization	383
Allowance for doubtful accounts	2,693
Equity in earnings from unconsolidated entities in excess of distributions received	(904)
Minority interest	(3,857)
Changes in operating assets and liabilities:	
Restricted cash	(5,330)
Accounts and other receivables	(470)
Deferred contract costs	(1,417)
Deposits and other assets	1,388
Accounts payable	1,855
Accrued expenses and other liabilities	12,018
Net cash from operating activities	<u>46,609</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Property acquisitions	(367,308)
Capitalized expenditures	(19,890)
Distributions in excess of income	412
Net cash used in investing and sales activities	<u>(386,786)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Owner distributions	(65,748)
Redemptions of unit holders	(45)
Proceeds from line of credit	327,435
Repayment of line of credit	(164,000)
Proceeds from notes payable	272,487
Repayment of notes payable	(4,598)
Payment of financing costs	(5,055)
Net cash provided by financing activities	<u>360,476</u>

Increase (decrease) in cash and cash equivalents 20,299

Cash and cash equivalents, beginning of period 2,240

Cash and cash equivalents, end of period \$ 22,539

GMH COMMUNITIES TRUST
FUNDS FROM OPERATIONS (FFO) AND ADJUSTED FUNDS FROM OPERATIONS (AFFO)
Three and twelve months ended December 31, 2006
(in thousands, except share and per share information)

	<u>Three months ended</u> <u>December 31, 2006</u>	<u>Twelve months ended</u> <u>December 31, 2006</u>
FUNDS FROM OPERATIONS (FFO):		
Net loss	\$ (1,293)	\$ (4,986)
Add:		
Minority interest	(1,028)	(3,857)
Depreciation on real property	11,062	37,816
Amortization of lease intangibles	1,055	5,167
FFO	<u>\$ 9,796</u>	<u>\$ 34,140</u>
FFO per share/unit - basic	<u>\$ 0.13</u>	<u>\$ 0.47</u>
Weighted-average shares/units outstanding - basic	73,119,138	72,514,791
FFO per share/unit - fully diluted	<u>\$ 0.13</u>	<u>\$ 0.47</u>
Weighted-average shares/units outstanding - fully diluted	73,129,171	73,344,995
EPS - basic	<u>\$ (0.03)</u>	<u>\$ (0.12)</u>
Weighted-average shares outstanding - basic	41,494,521	40,889,508
EPS - fully diluted	<u>\$ (0.03)</u>	<u>\$ (0.12)</u>
Weighted-average shares outstanding - fully diluted	73,129,171	73,344,995
ADJUSTED FUNDS FROM OPERATIONS (AFFO):		
FFO	\$ 9,796	\$ 34,140
Add (deduct):		
Depreciation on non-real estate assets	199	355
Amortization of deferred financing costs	3,013	4,040
Non-development capital expenditures	<u>(1,818)</u>	<u>(16,254)</u>
AFFO	<u>\$ 11,190</u>	<u>\$ 22,281</u>

GMH COMMUNITIES TRUST
SEGMENT INFORMATION
(audited, in thousands)

	Three months ended December 31, 2006						Twelve months ended December 31, 2006					
	Student Housing - Owned Properties	Student Housing Management	Military Housing	Corporate	Eliminations	Total	Student Housing - Owned Properties	Student Housing Management	Military Housing	Corporate	Eliminations	Total
REVENUE:												
Rent and other property income	\$ 55,177	\$ -	\$ -	\$ 43	\$ -	\$ 55,220	\$ 188,885	\$ -	\$ -	\$ 156	\$ -	\$ 189,041
Expense reimbursements:												
Related party	-	155	15,655	56	-	15,866	-	390	63,622	218	-	64,230
Third party	-	1,323	-	-	-	1,323	-	6,013	-	-	-	6,013
Management fees:												
Owned properties	-	2,076	-	-	(2,076)	-	-	7,290	-	-	(7,290)	-
Related party	-	19	2,191	-	-	2,210	-	93	8,388	-	-	8,481
Third party	-	746	-	-	-	746	-	3,167	-	-	-	3,167
Other fee income - related party	-	-	5,758	-	-	5,758	-	-	21,635	-	-	21,635
Other income	121	10	26	153	-	310	225	35	72	232	-	564
Total revenue	55,298	4,329	23,630	252	(2,076)	81,433	189,110	16,988	93,717	606	(7,290)	293,131
OPERATING EXPENSES:												
Property operating expenses	19,867	1,614	1,833	-	-	23,314	74,927	6,516	6,402	-	-	87,845
Intercompany management fees	2,076	-	-	-	(2,076)	-	7,290	-	-	-	(7,290)	-
Reimbursed expenses	-	1,478	15,655	56	-	17,189	-	6,403	63,622	218	-	70,243
Real estate taxes	4,943	-	-	25	-	4,968	17,913	-	-	97	-	18,010
Administrative expenses	-	-	-	4,548	-	4,548	-	-	-	17,682	-	17,682
Audit Committee and Special Committee expenses	-	-	-	1,123	-	1,123	-	-	-	7,821	-	7,821
Depreciation and amortization	12,226	-	102	162	-	12,490	42,984	-	444	402	-	43,830
Interest	15,953	-	-	3,603	-	19,556	50,251	-	-	5,082	-	55,333
Total operating expenses	55,065	3,092	17,590	9,517	(2,076)	83,188	193,365	12,919	70,468	31,302	(7,290)	300,764
(Loss) income before equity in earnings of unconsolidated entities, incomes taxes and minority interest	233	1,237	6,040	(9,265)	-	(1,755)	(4,255)	4,069	23,249	(30,696)	-	(7,633)
Equity in earnings of unconsolidated entities	-	-	673	-	-	673	-	-	3,523	-	-	3,523
(Loss) income before income taxes and minority interest	233	1,237	6,713	(9,265)	-	(1,082)	(4,255)	4,069	26,772	(30,696)	-	(4,110)
Income tax expense (benefit)	-	35	1,204	-	-	1,239	-	(337)	5,070	-	-	4,733
(Loss) income before minority interest	233	1,202	5,509	(9,265)	-	(2,321)	(4,255)	4,406	21,702	(30,696)	-	(8,843)
Minority interest	-	-	-	(1,028)	-	(1,028)	-	-	-	(3,857)	-	(3,857)
Net (loss) income	\$ 233	\$ 1,202	\$ 5,509	\$ (8,237)	\$ -	\$ (1,293)	\$ (4,255)	\$ 4,406	\$ 21,702	\$ (26,839)	\$ -	\$ (4,986)

	Three months ended December 31, 2005						Twelve months ended December 31, 2005					
	Student Housing - Owned Properties	Student Housing Management	Military Housing	Corporate	Eliminations	Total	Student Housing - Owned Properties	Student Housing Management	Military Housing	Corporate	Eliminations	Total
REVENUE:												
Rent and other property income	\$ 41,018	\$ -	\$ -	\$ 63	\$ -	\$ 41,081	\$ 131,849	\$ -	\$ -	\$ 245	\$ -	\$ 132,094
Expense reimbursements:												
Related party	-	(10)	17,302	86	-	17,378	-	176	57,436	318	-	57,930
Third party	-	774	-	-	-	774	-	4,650	-	-	-	4,650
Management fees:												
Owned properties	-	1,551	-	-	(1,551)	-	-	5,141	-	-	(5,141)	-
Related party	-	-	1,648	-	-	1,648	-	197	6,808	-	-	7,005
Third party	-	1,618	-	-	-	1,618	-	3,774	-	-	-	3,774
Other fee income - related party	-	329	5,454	(39)	-	5,744	-	290	18,000	31	-	18,321
Other income	23	10	39	58	-	130	123	19	108	128	-	378
Total revenue	41,041	4,272	24,443	168	(1,551)	68,373	131,972	14,247	82,352	722	(5,141)	224,152
OPERATING EXPENSES:												
Property operating expenses	13,871	2,186	1,193	-	-	17,250	48,992	4,196	4,431	-	-	57,619
Intercompany management fees	1,551	-	-	-	(1,551)	-	5,141	-	-	-	(5,141)	-
Reimbursed expenses	-	764	17,302	86	-	18,152	-	4,826	57,436	318	-	62,580
Real estate taxes	3,852	-	-	-	-	3,852	12,191	-	-	-	-	12,191
Administrative expenses	-	-	-	2,751	-	2,751	-	-	-	12,254	-	12,254
Audit Committee and Special Committee expenses	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	8,955	-	167	108	-	9,230	33,369	-	299	520	-	34,188
Interest	8,985	-	-	793	-	9,778	29,493	-	-	1,532	-	31,025
Total operating expenses	37,214	2,950	18,662	3,738	(1,551)	61,013	129,186	9,022	62,166	14,624	(5,141)	209,857
(Loss) income before equity in earnings of unconsolidated entities, incomes taxes and minority interest	3,827	1,322	5,781	(3,570)	-	7,360	2,786	5,225	20,186	(13,902)	-	14,295
Equity in earnings of unconsolidated entities	-	-	1,074	-	-	1,074	-	-	3,073	-	-	3,073
(Loss) income before income taxes and minority interest	3,827	1,322	6,855	(3,570)	-	8,434	2,786	5,225	23,259	(13,902)	-	17,368
Income tax expense (benefit)	-	(59)	1,127	-	-	1,068	-	66	5,514	-	-	5,580
(Loss) income before minority interest	3,827	1,381	5,728	(3,570)	-	7,366	2,786	5,159	17,745	(13,902)	-	11,788
Minority interest	-	-	-	3,546	-	3,546	-	-	-	5,729	-	5,729
Net (loss) income	\$ 3,827	\$ 1,381	\$ 5,728	\$ (7,116)	\$ -	\$ 3,820	\$ 2,786	\$ 5,159	\$ 17,745	\$ (19,631)	\$ -	\$ 6,059

GMH COMMUNITIES TRUST

Computation of Fixed Charge Ratio (FCR) and Debt Service Coverage Ratio (DSCR)

(dollars in thousands)

	Twelve months ended December 31, 2006		Twelve months ended December 31, 2005	
	Student Housing Owned Properties	Consolidated	Student Housing Owned Properties	Consolidated
Net (loss) income	\$ (4,255)	\$ (4,986)	\$ 1,581	\$ 6,059
Minority interest	-	(3,857)	1,495	5,729
Income taxes	-	4,733	-	5,580
Depreciation and amortization	42,984	43,830	33,369	34,188
Interest expense	50,251	55,333	29,493	31,025
Income available for debt service	<u>\$ 88,980</u>	<u>\$ 95,053</u>	<u>\$ 65,938</u>	<u>\$ 82,581</u>
Interest expense	\$ 50,251	\$ 55,333	\$ 29,493	\$ 31,025
Principal repayments	4,598	4,598	2,738	2,738
Fixed charges	<u>\$ 54,849</u>	<u>\$ 59,931</u>	<u>\$ 32,231</u>	<u>\$ 33,763</u>
FCR	<u>1.77</u>	<u>1.72</u>	<u>2.24</u>	<u>2.66</u>
DSCR	<u>1.62</u>	<u>1.59</u>	<u>2.05</u>	<u>2.45</u>

GMH COMMUNITIES TRUST
STUDENT HOUSING SEGMENT
SAME STORE RESULTS - Three months and twelve months ended December 31, 2006

Same Store Results for all 54 properties owned during the three months ended December 31, 2006 and 2005 ⁽¹⁾

	Quarter to date					
	12/31/2006	% to Revenue	12/31/2005	% to Revenue	Agg. Change	% Change
Net Rental Income	\$ 39,556,028	95.4%	\$ 40,164,960	96.0%	\$ (608,932)	-1.5%
Other Income ⁽³⁾	1,916,934	4.6%	1,690,264	4.0%	226,670	13.4%
Total Income	41,472,962	100.0%	41,855,224	100.0%	(382,262)	-0.9%
Total Operating Expenses (excluding intercompany management fees)	19,142,839	46.2%	18,739,404	44.8%	403,435	2.2%
NOI Before Interest and Depreciation	\$ 22,330,123	53.8%	\$ 23,115,820	55.2%	\$ (785,697)	-3.4%

Same Store Results exclusive of the eight focus properties owned during the three months ended December 31, 2006 and 2005 ⁽²⁾

	Quarter to date					
	12/31/2006	% to Revenue	12/31/2005	% to Revenue	Agg. Change	% Change
Net Rental Income	\$ 33,396,258	95%	\$ 32,286,568	95.9%	\$ 1,109,690	3.4%
Other Income ⁽³⁾	1,658,955	5%	1,379,142	4.1%	279,813	20.3%
Total Income	35,055,213	100%	33,665,710	100.0%	1,389,503	4.1%
Total Operating Expenses (excluding intercompany management fees)	15,419,666	44%	15,079,561	44.8%	340,105	2.3%
NOI Before Interest and Depreciation	\$ 19,635,547	56%	\$ 18,586,149	55.2%	\$ 1,049,398	5.6%

Same Store Results for all 30 properties owned during the twelve months ended December 31, 2006 and 2005 ⁽¹⁾

	Year to date					
	12/31/2006	% to Revenue	12/31/2005	% to Revenue	Agg. Change	% Change
Net Rental Income	\$ 86,870,216	95.4%	\$ 89,131,790	95.6%	\$ (2,261,574)	-2.5%
Other Income ⁽³⁾	4,199,788	4.6%	4,145,375	4.4%	54,413	1.3%
Total Income	91,070,004	100.0%	93,277,165	100.0%	(2,207,161)	-2.4%
Total Operating Expenses (excluding intercompany management fees)	48,127,062	52.8%	44,220,637	47.4%	3,906,425	8.8%
NOI Before Interest and Depreciation	\$ 42,942,942	47.2%	\$ 49,056,528	52.6%	\$ (6,113,586)	-12.5%

Same Store Results exclusive of the six focus properties owned during the twelve months ended December 31, 2006 and 2005 ⁽²⁾

	Year to date					
	12/31/2006	% to Revenue	12/31/2005	% to Revenue	Agg. Change	% Change
Net Rental Income	\$ 64,782,952	95%	\$ 64,781,660	95.8%	\$ 1,292	0%
Other Income ⁽³⁾	3,139,194	5%	2,829,522	4.2%	309,672	10.9%
Total Income	67,922,146	100%	67,611,182	100.0%	310,964	0.5%
Total Operating Expenses (excluding intercompany management fees)	35,602,559	52%	33,099,731	49.0%	2,502,828	7.6%
NOI Before Interest and Depreciation	\$ 32,319,587	48%	\$ 34,511,451	51.0%	\$ (2,191,864)	-6.4%

- (1) For our total properties owned during the three and twelve months ended December 31, 2006, we do not include two properties that were owned through a joint venture, in which we have a 10% equity interest.
- (2) The Company has identified properties (referred to as the focus properties) which have adversely affected our total rental revenue as they did not achieve economic occupancy levels that we targeted upon commencement of the 2006/2007 academic year. We believe these lower than anticipated results are temporary in nature at these properties, and we have committed resources dedicated to improving their occupancy levels going forward. In the three and twelve month periods, as presented on a same store basis above, there were eight and six properties, respectively, in the focus properties. We have presented our same store results including and exclusive of these focus group properties.
- (3) Other income primarily consists of incidental charges such as late fees, chargeback for damages/cleaning and utility chargeback's.

GMH COMMUNITIES TRUST
SELECTED FINANCIAL INFORMATION
Three and twelve months ended December 31, 2006
(audited, in thousands, except share and per share information)

	Three months ended December 31, 2006	Twelve months ended December 31, 2006
<u>SELECTED FINANCIAL INFORMATION:</u>		
Revenue	\$ 81,433	\$ 293,131
Net loss	\$ (1,293)	\$ (4,986)
Distributions per share/unit declared for the period ⁽¹⁾	\$ 0.1650	\$ 0.8475
EPS - basic	\$ (0.03)	\$ (0.12)
EPS - diluted	\$ (0.03)	\$ (0.12)
FFO per share - basic	\$ 0.13	\$ 0.47
FFO per share - diluted	\$ 0.13	\$ 0.47
Total assets		\$ 1,713,990
Total debt:		
Variable Rate		\$ 57,773
Variable Rate (line of credit)		199,435
Fixed Rate		970,517
Total debt		<u>\$ 1,227,725</u>
Total gross assets (total assets plus accumulated depreciation)		\$ 1,781,847
Equity (market value of equity outstanding assuming conversion of Limited Partnership Units in Operating Partnership, vesting of restricted shares)		\$ 742,896
Total market capitalization (market value of equity and debt)		\$ 1,970,621
Common Share price (end of period)		\$ 10.15
<u>COMMON SHARES AND LIMITED PARTNERSHIP UNITS:</u>		
Common Shares outstanding		41,567,146
Limited Partnership Units outstanding		31,624,617
Total Common Shares and Limited Partnership Units outstanding		<u>73,191,763</u>

RATIOS COMPUTED FOR INDUSTRY COMPARISONS:

Total debt/total gross assets	68.9%
Total debt/total market capitalization ratio (market value)	62.3%
Total variable rate debt/total market capitalization ratio (market value) ⁽²⁾	2.9%
Total line of credit variable rate debt/total market capitalization ratio (market value) ⁽³⁾	10.1%
Dividend yield (annualized dividend divided by closing price on December 29, 2006)	6.5%

(1) The 2006 4th Quarter dividend distribution was declared in December 2006 and was paid on February 1, 2007. This dividend distribution will be included in the Company's 2007 distributions for tax reporting purposes.

(2) Variable rate debt on three student housing owned properties and portion of debt relating to two student housing properties held through a joint venture in which we own a 10% equity interest. Also excludes interest payable under our line of credit.

(3) Variable rate debt for our line of credit.

GMH COMMUNITIES TRUST**EBITDA****Three and twelve months ended December 31, 2006****(audited, in thousands)**

EBITDA, a non-GAAP financial measure, is defined as net income (loss) before minority interest, interest expense, income tax expense and depreciation and amortization expense. EBITDA is a useful measure of our operating performance, as it provides us with a measure of our profitability, by removing the impact of our asset base (primarily depreciation and amortization) and the impact of leverage from our operating results, enabling us to analyze our operating performance on a comparable basis to our competitors, regardless of capital structure. EBITDA, as calculated by us, may not be comparable to EBITDA reported by other companies that do not define EBITDA exactly as we define the term. EBITDA does not represent cash generated from operating activities determined in accordance with GAAP, and should not be considered as an alternative to operating income or net income determined in accordance with GAAP as an indicator of performance or as an alternative to cash flows from operating activities as an indicator of liquidity.

	<u>Three months ended</u> <u>December 31, 2006</u>	<u>Twelve months ended</u> <u>December 31, 2006</u>
Net loss	\$ (1,293)	\$ (4,986)
Plus:		
Minority interest	(1,028)	(3,857)
Interest expense	19,556	55,333
Income taxes	1,239	4,733
Depreciation and amortization	12,490	43,830
EBITDA	<u>\$ 30,964</u>	<u>\$ 95,053</u>

GMH COMMUNITIES TRUST
DEBT ANALYSIS
As of December 31, 2006
(In thousands)

Property	Balance	Stated Interest Rate	Current Rate - FMV	Maturity Date
SECURED DEBT				
Variable Rate Mortgages:				
The View ⁽¹⁾	9,160	Libor + 1.90%	7.23%	Mar-07
University Place ⁽¹⁾	14,001	Libor + 2.05%	7.43%	Jul-07
Campus Ridge Apartments ⁽¹⁾	7,401	Libor + 2.05%	7.43%	Jun-15
Orchard Trails	15,938	Libor + 1.90%	7.26%	Aug-08
The Enclave - Phase II	11,273	Libor + 1.90%	7.26%	Nov-08
	<u>57,773</u>			
Line of Credit	199,435	Libor + 2.00%	7.35%	Jun-07
	<u>\$ 257,208</u>			

Fixed Rate Mortgages:

Campus Club - Gainesville	18,475	Fixed	4.14%	Oct-07
Pirate's Cove	20,971	Fixed	4.03%	Feb-09
University Walk	10,559	Fixed	4.03%	Feb-09
The Club	10,161	Fixed	5.16%	Apr-09
University Trails	15,725	Fixed	4.24%	Feb-10
Campus Edge	9,662	Fixed	4.50%	Feb-10
Campus Club - Statesboro	18,811	Fixed	4.24%	Feb-10
University Crescent ⁽²⁾	15,569	Fixed	4.77%	Apr-10
State College Park	11,759	Fixed	4.70%	Jul-10
Nittany Crossing	11,830	Fixed	4.70%	Jul-10
The Edge I	9,849	Fixed	4.63%	Jul-10
The Edge II	4,456	Fixed	4.54%	Jul-10
Pegasus Connection	29,914	Fixed	5.22%	Nov-10
University Heights	11,966	Fixed	4.98%	May-11
University Greens	7,710	Fixed	4.92%	May-11
Willow Tree Apartments	15,456	Fixed	4.77%	Oct-11
Willow Tree Towers	7,562	Fixed	4.77%	Oct-11
Campus Walk	8,133	Fixed	4.70%	Feb-12
Collegiate Hall	9,908	Fixed	4.61%	Feb-12
Chapel Ridge	16,180	Fixed	4.61%	Feb-12
Campus Connection	14,193	Fixed	4.61%	Feb-12
The Verge	31,400	Fixed	5.12%	Feb-12
University Pines	12,557	Fixed	5.23%	Jun-13
University Court	13,737	Fixed	5.23%	Jun-13
University Gables	15,843	Fixed	5.23%	Jun-13
University Glades	10,315	Fixed	5.23%	Jun-13
University Crossings (PA)	44,065	Fixed	5.07%	Nov-13
The Enclave	10,062	Fixed	5.27%	Jun-14
The Ridge	15,370	Fixed	5.27%	Jun-14
Grand Marc at Seven Corners	18,867	Fixed	5.20%	Jun-14
University Lodge	10,663	Fixed	5.35%	Aug-14
University Estates	10,239	Fixed	5.35%	Aug-14
University Manor	14,600	Fixed	5.35%	Aug-14
University Mills	9,022	Fixed	5.35%	Aug-14
Stadium Suites	27,365	Fixed	5.95%	Dec-14
Chapel View	9,690	Fixed	4.93%	Jun-15
South View Apartments	18,918	Fixed	4.56%	Jun-15
Stone Gate Apartments	14,264	Fixed	4.56%	Jun-15
University Crossing (KS)	11,433	Fixed	4.76%	Jun-15
The Towers at Third	14,491	Fixed	4.96%	Jul-15
Campus Walk - UNCW	6,700	Fixed	5.00%	Jul-15
Seminole Suites	20,400	Fixed	4.65%	Aug-15
University Pointe	21,300	Fixed	5.28%	Sep-15
University Meadows	9,633	Fixed	4.92%	Sep-15
Grand Marc at University Village	42,091	Fixed	5.50%	Nov-15
Corporate headquarters	5,700	Fixed	5.58%	Feb-16
University Village	14,740	Fixed	5.32%	Feb-16
Jacob Heights	3,850	Fixed	5.54%	Feb-16
The Commons on Oak Tree	11,729	Fixed	5.36%	Feb-16
Brookstone Village	4,141	Fixed	5.38%	Feb-16
Aztec Corner	28,600	Fixed	5.97%	Aug-16
Jacob Heights III	2,948	Fixed	6.19%	Aug-16
Lion's Crossing	8,823	Fixed	5.39%	Jan-17
The Commons	6,362	Fixed	5.41%	Jun-24
Cambridge at Southern	18,388	Fixed	5.78%	Dec-16
Lakeside	14,100	Fixed	5.84%	Nov-16
Campus Trails	7,486	Fixed	5.84%	Nov-16
Campus Corner	22,266	Fixed	5.84%	Nov-16
Hawk's Landing	15,600	Fixed	5.84%	Nov-16
The Courtyards	16,875	Fixed	5.84%	Nov-16
Campus Way	15,375	Fixed	5.84%	Nov-16
Lincoln View	16,575	Fixed	5.84%	Nov-16
Riverside Estates	16,200	Fixed	5.84%	Nov-16
Burbank Commons	14,888	Fixed	5.84%	Nov-16
Abbott Place	17,850	Fixed	5.84%	Nov-16
Campus Commons	16,148	Fixed	5.84%	Nov-16
	<u>\$ 970,517</u>			

UNSECURED DEBT

Total \$ 1,227,725

Weighted-average rate:

Variable rate mortgages	7.34%
Fixed rate mortgages	5.18%
	<u>5.63%</u>

Allocation of debt excluding line of credit:

Variable	5.62%
Fixed	94.38%
	<u>100.00%</u>

Weighted-average maturity in years:

Variable rate mortgages	0.80
Fixed rate mortgages	7.18
	<u>5.85</u>

Allocation of debt including line of credit:

Variable	20.95%
Fixed	79.05%
	<u>100.00%</u>

⁽¹⁾ The Company expects to refinance these three assets with new variable rate debt in 1Q07, which will extend the maturity dates beyond 2007.

⁽²⁾ This property was refinanced in 1Q07. The new mortgage indebtedness has a 10-year, interest only term and bears a fixed interest rate of 5.6%.

GMH COMMUNITIES TRUST
STUDENT HOUSING PROPERTIES AND ACQUISITIONS
As of December 31, 2006

	City	State	# of Units	# of Beds	Closing Date	Purchase Price (1)	12/31/2006 Occupancy	12/31/2005 Occupancy
2004 Acquisitions								
	Birmingham	AL	176	528	7/27/04	15,900	81.1%	98.7%
	Charlottesville	VA	144	528	7/27/04	18,500	92.0%	95.3%
	Lubbock	TX	240	684	7/27/04	25,850	99.4%	93.3%
	East Lansing	MI	138	516	7/30/04	14,800	94.0%	90.5%
	Baton Rouge	LA	192	660	7/30/04	18,361	97.4%	99.7%
	Muncie	IN	144	552	7/30/04	12,900	91.8%	89.1%
	Murfreesboro	TN	180	648	7/30/04	16,750	96.1%	96.9%
	Gainesville	FL	120	432	7/30/04	10,700	99.1%	97.2%
	Norman	OK	156	516	7/30/04	11,568	90.7%	96.7%
	Knoxville	TN	204	636	7/30/04	13,974	96.7%	97.0%
	Laramie	WY	121	481	7/30/04	13,290	86.5%	97.3%
	Greenville	NC	168	600	7/30/04	18,549	92.5%	93.7%
	Cedar Falls	IA	121	481	7/30/04	13,224	99.6%	99.0%
	Statesboro	GA	144	552	7/30/04	13,822	97.1%	97.3%
	Statesboro	GA	276	984	8/20/04	30,500	84.6%	98.1%
	Urbana	IL	270	864	10/4/04	22,832 (2)	88.0%	97.7%
	Chapel Hill	NC	180	544	10/4/04	26,500	86.2%	99.8%
	Gainesville	FL	252	924	11/8/04	27,389	93.0%	88.3%
	Oxford	MS	108	432	11/8/04	13,160	98.8%	95.1%
	Riverside	CA	212	824	11/8/04	54,900	69.3%	93.9%
	Greenville	NC	264	1056	11/8/04	30,642	75.8%	97.9%
	Mankato	MN	192	672	11/8/04	23,500	99.4%	97.6%
	Kalamazoo	MI	232	700	11/8/04	26,161	92.0%	91.9%
	Hattiesburg	MS	156	552	11/8/04	15,658	97.6%	98.9%
	Savoy	IL	192	588	11/8/04	18,666	97.4%	94.9%
	Columbia	SC	181	662	11/8/04	25,328	100.0%	99.4%
	Lubbock	TX	204	682	11/8/04	29,446	97.4%	96.5%
	Denton	TX	180	528	11/8/04	22,316	98.1%	95.6%
	Charlotte	NC	120	480	11/8/04	15,433	99.6%	99.6%
	Reno	NV	216	732	11/10/04	32,500	94.4%	93.2%
			5,483	19,038		\$ 633,119		
2005 Acquisitions								
	Ann Arbor	MI	312	572	1/6/05	22,500	98.6%	99.0%
	Ann Arbor	MI	163	283	1/6/05	10,575	100.0%	96.0%
	Lincoln	NE	156	588	3/4/05	11,900	77.0%	86.9%
	Sacramento	CA	288	792	3/14/05	51,434	67.7%	90.5%
	Bowling Green	OH	120	480	3/16/05	14,000	86.3%	99.6%
	Bowling Green	OH	144	576	3/16/05	1,800 (3)	76.6%	--
	Morgantown	WV	168	644	3/16/05	22,800	100.0%	99.8%
	State College	PA	204	684	3/22/05	19,143	100.0%	99.3%
	State College	PA	196	752	3/22/05	19,062	99.9%	95.3%
	Minneapolis	MN	186	440	4/11/05	27,993	100.0%	99.2%
	Charlotte	NC	96	384	6/10/05	15,600	100.0%	99.2%
	Charlotte	NC	84	336	6/10/05	7,500	100.0%	97.9%
	Chapel Hill	NC	224	358	6/17/05	15,240	98.0%	76.0%
	Manhattan	KS	229	700	6/29/05	18,250	98.1%	90.1%
	Johnson City	TN	132	528	6/30/05	12,000 (2)	97.9%	93.8%
	Harrisonburg	VA	240	960	6/30/05	24,579	100.0%	99.4%
	Harrisonburg	VA	168	672	6/30/05	25,265	99.9%	99.4%
	Orono	ME	144	576	7/6/05	980 (3)	89.4%	--
	Tallahassee	FL	264	924	7/15/05	33,300	95.7%	94.5%
	Harrisonburg	VA	132	528	7/29/05	13,885	97.9%	98.3%
	Wilmington	NC	289	290	8/31/05	10,325	99.7%	97.9%
	Champaign	IL	147	295	8/31/05	23,050	98.0%	92.3%
	Valdosta	GA	204	596	9/1/05	25,000	89.9%	96.5%
	Mount Pleasant	MI	184	616	9/27/05	14,050	95.9%	88.3%
	Philadelphia	PA	260	1026	10/6/05	59,750	99.9%	94.9%
	Orlando	FL	312	930	10/21/05	48,500	99.4%	98.5%
			5,046	15,530		\$ 548,481		
1st Quarter 2006								
	Sacramento	CA	250	394	1/12/06	20,060	94.2%	
	Mankato	MN	42	162	1/13/06	6,300	96.9%	
	Norman	OK	254	780	1/18/06	18,585	76.5%	
	Aspen	GA	120	480	1/26/06	12,850	99.0%	
	Wilmington	NC	124	238	2/1/06	6,100	98.3%	
	State College	PA	204	696	2/16/06	18,610	99.7%	
			994	2,750		\$ 82,505		
2nd Quarter 2006								
	Columbia	SC	264	924	4/20/06	36,850	99.9%	
			264	924		\$ 36,850		
3rd Quarter 2006								
	San Diego	CA	179	600	8/2/06	37,559	97.3%	
	Mankato	MN	24	96	8/2/06	3,840	100.0%	
	Huntsville	TX	--	--	8/17/06	1,852 (4)	--	
			203	696		\$ 43,251		
4th Quarter 2006								
	Athens	GA	242	772	10/2/06	17,950	90.9%	
	Starkville	MS	156	480	10/2/06	10,400	100.0%	
	Bloomington	IN	252	792	10/4/06	28,450	98.4%	
	Oxford	OH	122	484	10/3/06	20,500	95.2%	
	Lexington	KY	182	676	10/3/06	21,450	83.6%	
	Tuscaloosa	AL	192	676	10/4/06	19,700	99.4%	
	Urbana	IL	254	732	10/31/06	20,950	97.8%	
	Columbia	SC	206	700	10/6/06	19,450	98.4%	
	Baton Rouge	LA	134	532	10/5/06	18,950	100.0%	
	East Lansing	MI	222	654	10/8/06	22,700	98.3%	
	Eugene	OR	252	696	10/6/06	22,450	97.0%	
	Statesboro	GA	228	564	11/17/06	24,150	99.3%	
			2,442	7,758		\$ 247,100		
			14,432	46,696		\$ 1,591,306		

(1) Purchase price includes total contract purchase price. Third party closing costs incurred in connection with the acquisition are included in the total capitalized cost of the acquired property. Certain adjustments related to lease intangibles and fair value debt are recorded and reflected in the total cost, which is then allocated to land, building and furniture and fixtures.

(2) Includes an undeveloped parcel of land.

(3) This parcel of land was acquired by the Company and then contributed to a joint venture in which the Company owns a 10% interest. This property commenced operations for the 2006/07 lease year.

(4) Includes five contiguous land parcels for the development of a 23-building student housing community.

Military Housing Privatization Projects in Operation as of March 14, 2007

Project Name	Location	Initial Development Period (1)	Initial Development Period Expected Completion Date	Initial Development Period Project Costs (2) (in millions)	Initial Development Period Project Costs Expended (3) (in millions)	Renovation Costs (4) (in millions)	Rentable Units (5)	Monthly Weighted Average BAH (6)	Expected End-State Housing Units at Initial Development Completion Date
In Operation:									
Fort Stewart and Hunter Army Airfield	Hinesville, GA Savannah, GA	8 years	October 2011	\$ 358.2	\$ 257.0	\$ 20.1	3,679	\$ 933	1,868 new units 1,597 renovated units 237 existing units ⁽⁷⁾ 3,702
Fort Carson ⁽⁸⁾	Colorado Springs, CO	5 years	Completed	Completed	Completed	Completed	Completed	1,060	841 new units 1,823 renovated units 2,664
Fort Carson Expansion	Colorado Springs, CO	3 years	November 2009	124.3	14.8	2.5	N/A	N/A	396 new units
Fort Hamilton	Brooklyn, NY	3 years	May 2007	54.9	47.4	0.6	276	2,056	185 new units 43 renovated units 228
Walter Reed Army Medical Center/Fort Detrick ⁽⁹⁾	Washington, DC Frederick, MD	4 years	June 2008	89.3	71.3	5.6	453	1,605	407 new units 156 renovated units 36 existing units ⁽⁷⁾ 599
Fort Eustis/Fort Story	Newport News, VA Virginia Beach, VA	6 years	February 2011	167.0	74.8	18.4	1,067	1,224	651 new units 473 renovated units 1,124
Fort Bliss/White Sands Missile Range ⁽¹⁰⁾	El Paso, TX Las Cruces, NM	6 years	June 2011	440.5	124.7	29.8	3,014	923	1,959 new units 1,178 renovated units 140 existing units ⁽⁷⁾ 3,277
Navy Northeast Region ⁽¹¹⁾	Brunswick, ME; Kittery, ME; Newport, RI; Groton, CT; Saratoga Springs, NY; Long Island, NY; Colts Neck, NJ; Lakehurst, NJ	6 years	October 2010	612.8	255.3	114.5	4,383	1,613	1,251 new units 1,227 renovated units 1,786 existing units ⁽⁷⁾ 4,264
Fort Gordon	Augusta, GA	6 years	April 2012	110.5	20.0	30.4	863	910	310 new units 577 renovated units 887
Carlisle/Picatinny	Carlisle, PA Dover, NJ	5 years	July 2011	78.2	11.9	12.4	305	1,807	209 new units 110 renovated units 29 existing units ⁽⁷⁾ 348
Total new units									8,077
Total renovated units									7,184
Total existing units⁽⁷⁾									2,228
Total in operation as of 12/31/06				\$ 2,035.7	\$ 877.2	\$ 234.3			17,489
AETC Group I ⁽¹²⁾	Altus, OK; Wichita Falls, TX Panama City, FL; Phoenix, AZ	5 years	January 2012	\$ 336.0	N/A	\$ 43.0	2,875	1,028	884 new homes 1,278 renovated homes 713 existing homes 2,875
Total in operation as of 3/14/07				\$ 2,371.7	\$ 877.2	\$ 277.3			20,364

⁽¹⁾ The first phase of the project, known as the initial development period (IDP), covers the period of initial construction or renovation of military housing on a base, typically lasting three to eight years.

⁽²⁾ As of December 31, 2006, except for the AETC Group I project which information is presented as of February 6, 2007. Amounts shown represent estimated total IDP costs including closing, development, construction, financing and related costs and excluding estimated capitalized interest associated with the project. These total IDP project costs are determined at the time we and the relevant military branch execute definitive business agreements to commence the project, and may be modified only upon the approval of a formal change order, which may affect the term of the initial development period as well. For a discussion of risks relating to this change order process, see also the section of our Annual Report or Form 10-K for the year ended December 31, 2006 titled "Risk Factors - Risks Related to our Military Housing Business."

⁽³⁾ As of December 31, 2006.

⁽⁴⁾ Renovation costs represent the actual contract value for renovation work during the IDP as of December 31, 2006, except that amounts shown for AETC Group I project are as of March 14, 2007. Renovation costs, like IDP costs, may fluctuate to the extent that a formal change order (as described in note 2 above) is approved.

⁽⁵⁾ Units available to be occupied as of December 31, 2006 for projects in operation as of that date, and as of March 14, 2007 for the AETC Group I project.

⁽⁶⁾ Monthly Weighted Average Basic Allowance for Housing (BAH) is based upon the military rank of the residents expected to occupy the units covered by our projects during 2007. BAH is the cost of living stipend distributed monthly by the Department of Defense to members of the U.S. Military to cover their and their families' costs of living in privately-owned housing.

⁽⁷⁾ These units will not be renovated during the IDP.

⁽⁸⁾ Additional financing for the expansion of the Fort Carson project was completed during the fourth quarter of 2006.

⁽⁹⁾ Walter Reed has been designated for closure under BRAC. We believe that the closure will not result in the loss of housing units, as these housing units are likely to be utilized by personnel who will be relocating from Walter Reed to nearby military medical facilities.

⁽¹⁰⁾ We are in discussions with the Department of the Army to review the possibility of expanding the number of end-state housing units covered by this project, which if approved, would likely require the placement of additional debt financing on the project.

⁽¹¹⁾ We are in the process of finalizing plans with the Navy to restructure the terms and debt financing for the Navy Northeast Region project as a result of (i) the anticipated closure of the Naval Air Station in Brunswick, Maine, which covers approximately 700 end-state housing units and (ii) the need to further reduce the number of end-state housing units for the project overall by an approximate additional 620 units due to changes in area housing market conditions that are affecting occupancy rates for the project. See also the section of our Annual Report or Form 10-K for the year ended December 31, 2006 titled "Risk Factors - Risks Related to our Military Housing Business."

⁽¹²⁾ We closed on the award of this project in February 2007, at which time we commenced operations. With respect to the AETC Group I project, the number of units for which we commenced management services as of February 2007 is greater than the expected end-state housing units upon completion of the IDP.