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Morgan Stanley

For Immediate Release

Morgan Stanley Selected as Preferred Bidder for the Chicago Downtown Public Parking System

NEW YORK, October 13, 2006 - Morgan Stanley announced today that its infrastructure investment group, part of the Firm's Investment Management Division, has been selected by the City of Chicago as the preferred bidder for the 99-year concession of the Chicago Downtown Public Parking System. Morgan Stanley partnered with LAZ Parking on the bid. The purchase price for the concession is \$563 million.

The Parking System has a total of 9,178 spaces and is located in downtown Chicago, adjacent to Michigan Avenue and Chicago's acclaimed Millennium Park. The Parking System is the largest downtown underground public parking system in the United States.

The acquisition of the concession is subject to the approval of the Chicago City Council and the Board of Commissioners of the Park District and financial close is expected to occur by December 15, 2006.

"This investment reflects our belief that Chicago presents a compelling investment environment," said William H. Strong, Vice Chairman of Morgan Stanley based in Chicago. "We are pleased to be working closely with the City of Chicago and look forward to enhancing levels of service."

Mayor Richard M. Daley said, "The sale of these garages will provide millions of dollars of improvements for Chicagoans of all ages who use the Chicago parks and participate in the many excellent programs operated by the Park District. It will also continue to provide convenient parking and excellent service to the thousands of people who use these four garages."

“The Parking System has a long operating history and good prospects for long-term income growth,” said Sadek Wahba, Managing Director and responsible for Morgan Stanley’s infrastructure investments. “With Morgan Stanley’s global franchise, we are seeking a broad array of stable infrastructure opportunities, and this investment represents an important step in the build-out of our infrastructure business.”

About Morgan Stanley Investment Management

Morgan Stanley Investment Management, together with its investment advisory affiliates, has over 400 investment professionals around the world and \$448 billion in assets under management or supervision as of August 31, 2006. These entities offer investment management services to a diverse client base, which includes governments, institutions, corporations and individuals.

About Morgan Stanley

Morgan Stanley (NYSE: MS) is a leading global financial services firm providing a wide range of investment banking, securities, investment management, wealth management and credit services. The Firm's employees serve clients worldwide including corporations, governments, institutions and individuals from more than 600 offices in 30 countries. For further information about Morgan Stanley, please visit www.morganstanley.com.

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