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**The U.S. Army and Partners Hunt, Pinnacle, and Falcon Properties
Commence Redevelopment of Family Housing at Fort Lee, Va.**

WASHINGTON – The U.S. Army and East Army Properties, LLC officially formed a public-private partnership today to finance, construct, renovate, and operate approximately 1,590 military family homes at Fort Lee in Prince George County, Va. The East Army Properties team, comprised of Hunt Development Group (HDG) of El Paso, Texas; Pinnacle, An American Management Services Company of Seattle; and Falcon Properties of Plymouth Meeting, Pa., received Congressional approval of their Community Development and Management Plan in June. Construction will begin immediately; the first new homes will be delivered to military members and their families in the fall of 2008.

Approximately \$260 million in private sector debt and equity will be spent during the next four years to construct 748 new, Energy Star efficient homes and renovate 112 existing homes. Designed in the local colonial vernacular, the spacious, new three- and four-bedroom homes boast two-car garages with additional bulk storage space, modern open kitchens, and ceramic tiled entry foyers. In addition, new neighborhood plans provide open spaces within walking distance of every home and continuity between existing and new neighborhoods. A 3,770-square-foot Neighborhood Center and three customer service satellite offices will be built within the neighborhoods. A swimming pool and workout room will be added to the East Community Center, and the Jackson Circle Community Center will be equipped with a splash park and picnic pavilion.

Hunt Development Group, Pinnacle AMS Development Company, and Falcon Properties will manage the project's development, design, and asset management, and Pinnacle will handle property management operations. HDG affiliate Hunt Building Company will be the design-builder and the Lessard Architectural Group of Vienna, Va. will provide design and land planning services.

In addition to the Fort Lee project, Hunt and Pinnacle are developing, building, renovating, and operating military family housing at Scott Air Force Base, Ill., Nellis Air Force Base, Nev., and Dover Air Force Base, Del. Hunt and Pinnacle were also recently selected to redevelop family housing at Beale Air Force Base, Calif.; Barksdale Air Force Base, La.; Langley Air Force Base, Va.; Bolling Air Force Base, Washington, D.C.; Columbus Air Force Base, Miss.; Laughlin Air Force Base, Texas; Randolph Air Force Base, Texas; Good Fellow Air Force Base, Texas; Maxwell Air Force Base, Ala.; and Vance Air Force Base, Okla.

Hunt Development Group is currently managing development and construction at eight other Military Housing Privatization Initiative (MHPI) projects and has 10 completed MHPI projects in its portfolio. Pinnacle also owns and operates military family housing at Fort Benning and Camp Merrill, Ga.; Fort Belvoir, Va.; the Presidio of Monterey and Naval Postgraduate School in Monterey Bay, Calif.; and Fort Irwin, Moffett Federal Airfield, and Parks Reserve Forces Training Area in California.

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ABOUT PINNACLE

Headquartered in Seattle, Pinnacle is the third largest manager of residential real estate with over 3,100 employees in 42 states and 266 cities. Pinnacle's multifamily portfolio consists of over 140,000 units - of which more than 17,000 are military family homes - including 56 General Officer Quarters for the U.S. Air Force, Army and Navy. Pinnacle manages an international portfolio valued at more than \$12.3 billion. The firm's clients include more than 235 institutions, pension funds, private partnerships, foreign investors, sole owners and government housing groups in North America and Asia. For more information, visit www.pinnacle Realty.com.

ABOUT HUNT

Hunt Development Group, LP is an affiliate of Hunt Building Corporation. Founded in 1947, Hunt Building Corporation and its affiliated companies provide a full range of development, design, construction, investment, and asset management services across the country with a focus in public-private ventures, military housing, mixed-use, light industrial, master-planned communities and retail. The companies have been headquartered in El Paso and operated by the Hunt family for four generations. Other Hunt affiliated companies are Hunt Building Company, Hunt Communities, HBC Property Managers, Hunt NR, and Hunt Administrative Services. Hunt has developed or constructed over 73,000 housing units, of which 56,206 are military housing units. Currently, Hunt has completed military housing projects in 38 states, representing more military family housing projects in the United States than any other entity.