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U.S. Army Selects Hunt Pinnacle as Privatization Partner for 1,590 Family Homes at Fort Lee, Va.

WASHINGTON - The U.S. Army recently announced its selection of East Army Properties, LLC as its partner in creating the Community Development and Management Plan (CDMP) for Fort Lee as part of the Residential Communities Initiative (RCI). East Army Properties is a joint venture comprised of Hunt Building Company of El Paso, Texas; Pinnacle, An American Management Services Company of Seattle; and Falcon Properties of Plymouth Meeting, Pa.

The CDMP will serve as the blueprint for the privatization of a total of 1,590 homes, including construction of a proposed 649 new homes and the refurbishment of 267 existing homes at Fort Lee. Development of the CDMP will take approximately six months. Following the plan's acceptance by the Army, Department of Defense, Office of Management and Budget, and Congress, implementation is expected in the fall of 2007.

Approximately \$126 million in private sector debt and equity will be spent during the four year initial development period to renovate existing and construct new/replacement family housing.

Hunt Building Company, Falcon Properties, and affiliates will manage the project's development, design, construction, and asset management, and Pinnacle will handle property management operations. The Lessard Group of Vienna, Va. will provide the design and land planning for the homes.

In addition to the Fort Lee project, Hunt Pinnacle is developing, building, renovating, and operating military family housing at Scott Air Force Base in Illinois, Nellis Air Force Base in Las Vegas, and Dover Air Force Base in Delaware. Hunt Building Company is currently managing development and construction at eight other Military Housing Privatization Initiative (MHPI) projects. 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, Calif.

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About Pinnacle

Pinnacle is an international real estate investment management firm headquartered in Seattle. Pinnacle provides both multifamily residential and commercial real estate owners and investors with a broad scope

of realty services, including the acquisition, disposition, rehabilitation, property management, financing, and repositioning of real estate assets.

About Hunt

Hunt Building Company, Ltd. is a full-service design-build, development and asset management company founded in El Paso, Texas, in 1947. Hunt Building and its predecessors have completed projects in 38 states, from Hawaii to Virginia, as well as Puerto Rico and Guantanamo Bay, Cuba. Hunt has built more military family housing projects in the United States than any other entity.