



For Immediate Release

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**Fort Belvoir Residential Communities Celebrates Groundbreaking
More than \$430 million in capital raised for construction of new military housing**

March 10, 2004 FORT BELVOIR, Va. - Construction officially kicked off today with a groundbreaking ceremony for Herryford Village, the first of twelve neighborhoods at Fort Belvoir to be redeveloped as part of the U.S. Army's Residential Communities Initiative Program.

Speakers at the ceremony included Acting Assistant Secretary of the Army for Installations and Environment Mr. Geoffrey G. Prosch, Fort Belvoir Garrison Commander Colonel T.W. Williams, Clark Realty Capital Managing Director Cleve Johnson and Pinnacle President and CEO Stan Harrelson.

"And now today, right here on post, we mark the beginning of new homes for our soldiers, new homes that will afford them at least as good a quality of life as that enjoyed by the people they defend," said Williams. "This development is long overdue."

"Today we celebrate collaboration and teamwork as we break ground on a project that is worth more than \$700 million in development over the next eight years," said Prosch. "Clark Pinnacle is a local firm. Traditionally, with our RCI projects, the vast majority of subcontractors are local. So this is good news for our local economy."

Clark Pinnacle Family Communities LLC is working in unison with Fort Belvoir and the Department of the Army to design, build and operate military family housing communities at Fort Belvoir in Fairfax County, Va. Over \$430 million has been raised and will be immediately invested to improve the quality of life for members of the armed services and their families assigned to Fort Belvoir and surrounding military installations.

Clark Pinnacle is a joint venture between Clark Realty Capital of Bethesda, Md. and Pinnacle of Seattle. Clark Realty Capital and affiliates will manage the design, development, construction and asset management at Fort Belvoir. Property management services will be provided by Pinnacle.

The initial development plan, which spans eight years, includes the demolition and replacement of 1,630 homes and the renovation of 170 historically significant homes on Fort Belvoir. When complete, Clark Pinnacle will manage a total of 2,070 Fort Belvoir homes for the U.S. Army during the next fifty years.

Award-winning architect Torti Gallas and Partners designed the new two- and three-story homes in a traditional Colonial style. The family housing, which has a minimum of three bedrooms, will average 1,850 square feet and offer a range of floor plans. Interior amenities include Corian countertops, dishwashers, nine-foot ceilings on first floors and two-car garages. The neo-traditional community will offer pedestrian walkways, five community centers, a state-of-the-art

community recreation center and numerous children's play areas. The plans for the new community were created with input from military leaders, installation directorates and those who will live in the community - the residents themselves.

In addition to the Fort Belvoir project, Clark Pinnacle is developing, building, renovating and operating military family housing at the Presidio of Monterey and Naval Postgraduate School in Monterey Bay, California and at Fort Irwin, Moffett Federal Airfield and Parks Reserve Forces Training Area in California. Clark is also developing and building military family housing for the Department of the Navy at Marine Corps Base Quantico in Virginia and at the Naval Complex in San Diego. Clark Realty Capital has raised more than \$2 billion in debt and equity for these developments. When these projects are complete, Clark Realty Builders will have constructed or renovated more than 10,000 military family homes.

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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 Clark

Founded in 1906, the Clark organization has become one of the country's premier developers of multifamily housing and is the largest privately held general building contractor and the third largest multifamily builder in the nation. The Clark companies are headquartered in Bethesda, Md., with regional offices strategically located throughout the United States.

Pinnacle, an American Management Services Company

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