

For Immediate Release

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Orion Residential LLC/Montecito Property Company **Acquire Aviana at the Biltmore in Phoenix, AZ**

Phoenix, Arizona, December 19, 2005 - Orion Residential LLC jointly with Montecito Property Company, today announced the successful acquisition of Aviana at the Biltmore, a 224-unit apartment community in Phoenix, Arizona.

Scott Knauer, an Orion Principal, along with his Phoenix based team, led the acquisition on behalf of Orion Residential LLC. Peter Katz and Alon Shnitzer of Marcus & Millichap represented the Seller in the transaction.

Aviana at the Biltmore (the "Property") is strategically located in Phoenix, Arizona at 4644 N. 22nd Street, Phoenix, AZ. The Property, located minutes from the Camelback Corridor, including the Arizona Biltmore Resort and Golf Club, the Ritz Carlton, the Royal Palms Inn, the Camelback Esplanade, Biltmore Fashion Park and Town and Country Mall. Aviana was built in 1998, and features a variety of spacious floor plans, and a wide array of amenities including a swimming pool, spa, 24 hour internet café, fitness center, business center and clubhouse.

Scott Knauer commented, "We are absolutely committed to the Phoenix market, the recent and dramatic increase in single family and condominium prices combined with a booming population and extraordinary job growth will generate strong returns for quality apartment communities. We intend to enhance that return by spending in excess of \$1.5 million on property improvements." Mr. Knauer

went on to say, “We have an excellent team of professionals helping us with the community; marketing services are being provided by our partner, Montecito.”

“The acquisition of the Aviana at the Biltmore asset by the Orion/Montecito team represents our collective firms’ continued desire to purchase high end multifamily product in strategic submarkets throughout Phoenix. We will also continue to pursue this strategy in other key markets around the United States along with our core strategy of purchasing value add apartment product,” commented Brian Ward, Orion’s President & CEO.

Orion Residential LLC is a national multifamily investment company with principal offices in Seattle, Chicago, and Phoenix. Orion owns and operates over 4,000 apartment units around the nation. Orion has targeted value add and core plus multifamily investments as well as select condominium conversion opportunities in strategic markets throughout the United States. Information regarding Orion, including its investment strategy and target markets can be found at www.orionresidential.com.

Montecito Property Company is one of the fastest growing property companies in North America, specializing in condominium conversions. With more than 50 years combined experience in the real estate industry, Montecito has emerged as the leader in offering properties of distinction and elegance at exceptional value. Information regarding Montecito can be found at montecitoinvestments.com

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