



Watt Companies and Buchanan Street Partners Announce Joint Venture to Acquire Multi-Family Rental Complex in Central Florida

Planned Improvements for 348-Unit Semoran North Apartments Expected to Deliver Strong Investment Returns

LOS ANGELES & WINTER PARK, Fla. – BUSINESS WIRE - June 18, 2007 - The Watt Companies, one of the most experienced and largest owners, developers, and managers of commercial and residential real estate in the Western United States, and Buchanan Street Partners, a national real estate investment bank, today announced a joint venture to acquire Semoran North Apartments, a multifamily apartment complex in Central Florida, for an undisclosed sum.

John Wickser, President of Watt Realty Advisors, who spearheads this investment program for The Watt Companies, said, "Semoran's proximity to desirable retail establishments together with its historically stable rent profile provides us with an exciting opportunity to reposition the asset and create value for Watt and our other investors. We expect to deliver strong investment returns on this property by undertaking a range of operational and capital improvements. We are particularly pleased to be joining with Buchanan Street Partners in this investment, which is among our first residential projects in Florida, and believe it will further build our strong track record of successful residential development and property management in the dynamic Southern California market."

Kristin Olson, Senior Vice President at Buchanan Street Partners, commented, "We are excited to be a part of the repositioning of the Semoran North property under the guidance of The Watt Companies and are confident the investment will perform well given the property's location and demographic profile. This transaction marks our fourth investment in Florida and our second in Orlando as we continue to look for opportunities to expand our presence in other Southeastern markets."

Semoran North is comprised of 348 units and 381,384 square feet of constructed residential space situated on 26 acres of land, and is located in Winter Park, a northern suburb of Orlando with an attractive demographic profile which is further undergirded by strong growth trends across the region.

Orlando has been recognized as one of the nation's top locations for business growth based on its favorable demographic profile, expansive infrastructure and thriving industries which include tourism, housing and emerging sectors such as professional and temporary employment services. The region also includes two universities, the University of Central Florida and Rollins College, which provide additional jobs as well as attract new students to the region each year.

The Semoran joint venture between Watt and Buchanan Street Partners comes on the heels of Watt's planned exit from its highly successful joint venture with Centro Properties, Centro Watt, which in just three years grew to own and operate more than 700 retail shopping centers comprising over 155 million square feet of retail space in 38 states.

About Watt Companies

Watt Companies, Inc. is one of the most experienced and largest owners, developers, and managers of commercial and residential real estate in the Western United States. With more than 40 years of experience, Watt has a proven track record of providing real estate services to

institutional investors, high net worth investors, and real estate partners. Watt Companies, Inc. currently manages over 10 million square feet of retail, residential, office and industrial assets. Watt has also developed over 8 million square feet of commercial and residential properties. For more information, please visit www.wattcommercial.com.

About Buchanan Street Partners

Buchanan Street Partners is a national real estate investment bank that provides real estate capital and advisory services for owners and developers and Investment Management for institutional and high-net-worth investors. The firm's advisory services include debt and structured finance and investment sales for commercial, multi-family and hotel properties. Buchanan's Investment Management business invests equity and structured debt capital with local operating partners nationally. Offices are located in Newport Beach, Los Angeles, San Francisco, Chicago, Atlanta and Washington D.C. For more information, visit www.buchananstreet.com.

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