

Orion Investment and Management Ltd. Corp.
 Orion Commercial Ltd. Corp.
 9155 S. Dadeland Blvd., Suite 1602
 Miami, Florida 33156



The European Perspective - Return to Tangibles

The closing year has been one which will be talked about for a long time to come. A series of factors has contributed to what has turned out to be one of the biggest financial crises for the last many decades. How long and severe the ensuing economic crisis will be still remains to be seen.

Investors are looking for the safe haven in terms of asset class. Stocks, never considered to be safe in the short term, of course, have had a very substantial reckoning. While there are certainly good opportunities available now, the asset class remains highly volatile.

Bonds, if the issuer credit is excellent, provide for good protection but not any satisfying return anymore. For the less-than-excellent credit bonds, even this asset class has been volatile to an extent rarely seen before.

Real property, in particular the kind that has been Orion's core programme for several decades, is a good product: well located well leased long-term triple-net commercial properties. They combine a reasonable yield, with a very good protection. In terms of underlying credit of the promised cash flow resulting from the lease with a certain tenant-company, they provide the same risk as a comparable bond, from the same issuer-company. In addition to the credit providing the cash flow, however, there is the underlying value of the real property. After the "financial card houses" it is now time again for solid tangible assets.

The additional factor to consider for investments from overseas – the exchange rate – remains attractive for Europeans. After a short spike in the US dollar's value a few months ago, it has sharply corrected, and has reached very attractive levels again. Despite the turmoil and market uncertainties, for the liquid investor there remain attractive options available.

Roberto Chiantera
 Orion Investments and Trust Ltd. - Genève, Switzerland



Miami Office Professionals

FOR MORE INFORMATION PLEASE CONTACT:

Joseph A. Sanz
 President
 Tel: 305.278.8400
 E-mail: jsanz@orionmiami.com

Kevin J. Sanz
 Investment Manager
 Tel: 305.278.8400
 Cell: 305.965.7088
 E-mail: ksanz@orionmiami.com

Norman J. Buhrmaster, CPM
 Senior Vice President
 Tel: 305.278.8400
 E-mail: nbuhrmaster@orionmiami.com

Silvi Santovenia
 National Property Manager
 Tel: 305.278.8400
 E-mail: ssantovenia@orionmiami.com

Orion Branch Office
 7000 SW 62nd Ave., Suite 403
 South Miami, FL 33143
 Tel: 305.665.9880 • Fax: 305.666.1553

For more information or to join our mailing list please contact:

Lorraine Ehrhart
 Tel: 305.278.8400
 lehrhart@orionmiami.com

ORION INVESTMENT AND MANAGEMENT LTD. CORP. ORION COMMERCIAL LTD. CORP.

Licensed Real Estate Brokers
 Dadeland Centre - 9155 S. Dadeland Boulevard, Suite 1602, Miami, FL 33156
 Office: 305.278.8400 • Fax: 305.278.1540
 Toll-Free: 1.888.255.4502
 www.orionmiami.com

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In Focus

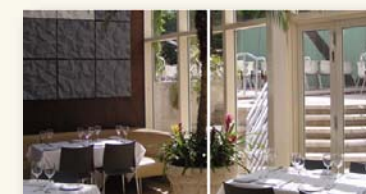
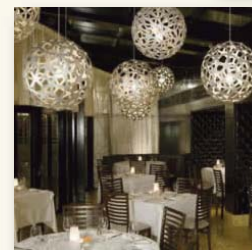
Winter/Spring 2008

Sale of Astor Hotel - South Beach, Florida

Orion is pleased to announce the closing on a transaction involving the negotiation of a new 99-year land lease under the Astor Hotel on Miami Beach. We acquired the fee title to the land at a purchase price of \$5 million dollars. The Astor Hotel is one of the most definitive examples of Art Deco design located in the heart of the Art Deco District on South Beach, Miami Beach. The Astor Hotel was originally constructed in 1936 and completely renovated in 2000. The 42-room hotel also includes elegant bar and dining facilities. Located at 956 Washington Avenue, places the property in the midst of the clubs and shopping area of South Beach across from the Wolfsonian Museum and two blocks to the ocean. The land lease provides for annual increases assuring the investment will provide very long term consistent returns. The estimated total value of the project is approximately \$15 million.



Hotel Astor
 956 Washington Avenue
 South Beach, Florida



Mission Statement

Our mission is to generate and maintain long-term, client-focused institutional real estate investment strategies, as both buyer and space user representatives, that will provide excellent returns and growth potential, delivered with the highest level of integrity, communication and service.

Letter from our President

Greetings:

To say that we are living in interesting times is certainly an understatement these days. With residential real estate and capital markets deeply suffering and many financial institutions hovering on the brink of insolvency, we, too, in commercial real estate are facing our own challenges.

Many asset management companies are challenged by the loss of investor confidence in the U.S. markets. This has been especially true with foreign investors who, at one time, saw the U.S. as a safe haven for their investment funds.

With all the turmoil in the commercial real estate market, new investment deals with realistic cap rates are still difficult to come by. Financing has become especially difficult to obtain and although investor confidence is waning, we have found that many of our international investors are still amenable to reviewing U.S. commercial real estate deals if the terms are acceptable. We find this confidence particularly heartening among our long-term investor base.

Those companies that will survive the storm are those who are able to implement strategies that recognize the opportunities presented by the downturn in the markets. We, at Orion, acknowledge this challenge, as well. With first-class, highly experienced property management professionals an important part of Orion's team, we are exploring the opportunities that may be available to us in augmenting our property management portfolio. We continue to review private placement investment opportunities and seek ways to add value to the properties our investors currently own.

We are seeking now to identify investment properties that can be acquired at very substantial discounts that should be in a position to appreciate significantly as the market comes back. We intend to notify our existing portfolio investors of these opportunities and/or structure syndicated investment vehicles to acquire these opportunities.

As we enter into a new year, we wish all our associates and colleagues a very happy and healthy 2009.

Joseph A. Sanz
 President



Orion Investment and Management Ltd. Corp.

Triple Net Leases

For the past 30 years, Orion Investment and Management Ltd. has specialized in placing investors in real estate throughout the United States that offer a stable and "predictable" return over a long term by acquiring commercial real estate leased to credit tenants on a "triple net" basis. Most commercial real estate investments are not "triple net leased". The more typical property investments presented in the market are characterized by projects with multiple tenants and relatively short term leases. While the initial actual experience may offer attractive returns, these investment properties are subject to changing conditions in the general and area-specific market with similar frequency as changing market conditions occur.

Tenant turnover and tenant replacement costs of multi-tenant "full service" leases can result in significant loss of income due to vacancy and capital requirements for commissions, tenant improvements and other lease concessions to retain existing tenants and secure replacement tenants. Increases in operating expenses, real estate taxes and insurance can further result in returns below expectation levels.

To better satisfy the desire for consistent returns, Orion Investment and Management Ltd. Corp. has sought single tenant investment properties leased on "triple net" terms. In the "triple net" lease, the tenant pays all operating expenses, taxes and insurance. The rent paid by the tenant is therefore "net" to the owner. We seek investment properties with lease terms of longer than 10 years and typically with rent increases during the committed term of the lease.

The structure of the lease provides for a consistent and predictable return. The risk of tenant turnover, vacancy and costly procedures of tenant replacement is therefore minimized. Long-term leases provide the tenant with the ability to establish "permanency" of location for convenience of clients and customers as well as reduce or extend the amortization of relocation costs.

The long-term lease may also reduce the exposure to down trend cycles of the market as the tenant is obligated to continue under the existing terms of the lease.

Investing in long term, triple net lease properties can result in significant wealth building. Periodic analysis of market opportunities to dispose of existing assets at the time of rent increase and utilizing the procedure allowed by the IRS ("1031") to defer recognition of gain to acquire replacement investment property has resulted in great opportunities for many of our clients.

Featured Properties For Sale



Bank of America (Guarantee) - BankUnited
8941 SW 136th St., Miami, FL

Property Size: 22,215+/- SF
Sale Price: \$2,000,000
Contact: Norman J. Buhmaster, CPM or Kevin Sanz
Tel: 305.278.8400



Wachovia Bank
2580 N. McMullen Booth Rd., Clearwater, FL

Property Size: 40,000+/- SF
Sale Price: \$1,700,000
Contact: Norman J. Buhmaster, CPM or Kevin Sanz
Tel: 305.278.8400

Featured Properties For Lease



JPMorgan Chase
2750 Coral Way, Miami, Florida

Available: 745 to 1,344 SF
Price: \$15-\$20/sf full service
Contact: Kevin Sanz
Tel: 305.278.8400



Clocktower
South Dixie Hwy. (US1) & 189th St., Miami, Florida

Available: 1,606 to 4,000 SF
Price: \$14-\$24/sf - plus CAM
Contact: Kevin Sanz
Tel: 305.278.8400

Orion Property Management

New Property Management

Orion recently acquired the management of the 7000 Building, located in the heart of South Miami, Florida. This is a medical office building occupied by 35 professional firms and institutions. Part of our management plan for this property is a significant capital expenditure program to reposition the property and enhance the investor revenue. In addition to the capital expenditure program, we are evaluating conversion of building systems to more energy efficient installations in order to maximize energy efficiency as well as enhance investor returns and lower operating expense pass-throughs to the tenant, making the building of enhanced marketability in the competitive market.

Orion is also providing asset management services for the investors of the Comfort Inn and the Astor Hotel which we recently assisted our clients in acquiring.



7000 Building
South Miami, Florida



Comfort Inn
West Gainesville, Florida



Hotel Astor
South Beach, Florida

What Orion Can Do For You...

Orion specializes in property management and is committed to provide quality property management at a reasonable cost while maintaining a high level of service and professionalism.

With many decades of individual experience in commercial property management, ORION professionals are qualified to produce efficient and effective property management services. This expertise may be offered at all stages of the commercial property planning, development, marketing and lease negotiations, as well as facilities management and construction.

ORION offers its clients a complete, global property management platform for full-service and triple net leases along with a time-honored reputation for outstanding client service. Prudent lease administration and property management accounting are fundamental to the success of any real estate firm.

Our team of experts work hand-in-hand with our clients to increase property values and position an asset to align with ownership's short and long-term investment objectives. Our team supervises all repairs and maintenance, including obtaining and reviewing proposals for tenant improvements and build-outs for new and existing tenants.

Close partnerships with our clients, a sense of pride and ownership of each property, and our core values enable our team to minimize operating expenses while maximizing revenues. We strive to improve tenant service to enhance the value of our clients' properties.

Our professional philosophy in property management is to maximize the potential value of the assets for our clients while maintaining a long-term relationship with both clients and tenants.

FCBN Winter Meeting

Orion Investment and Management hosted the FCBN Winter Meeting on October 29-31, 2008. The meetings took place at the Biltmore Hotel. Events included a bus tour of Miami-Dade commercial properties for the attending brokers and a historical tour of Dade County for the spouse. Local speakers included banking officers, local government leaders, MAI appraisers and cost segregation experts. Groups of FCBN members also played golf at the golf facilities at the Biltmore Hotel.

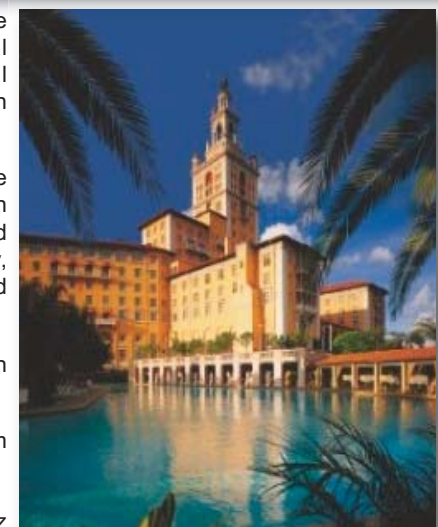
Florida Commercial Brokers Network (FCBN) is a statewide group of commercial real estate brokers whose aim is to enhance service to their clients via networking. FCBN was founded in 1993 and offers a vehicle for independently owned real estate brokers to exchange leads and market information, which in turn provide more value. Partner firms also share current technology, business practices and their property portfolios. Pooling of resources, quarterly meetings and constant interfacing among partners often result in joint transactions.

FCBN represents the largest group of commercial real estate brokers in the State of Florida with 22 members.

Orion was presented with the 2007 Firm of the Year award. This award honors the Partner Firm that all Partners feel contributed the most to FCBN during the year.

FCBN was presented a Proclamation from Miami-Dade County Commissioner Carlos Gimenez proclaiming October 31st as FCBN day in Miami-Dade County.

For more information on FCBN and partnership opportunities please visit their website at www.flabrokers.com/home.php.



The Biltmore Hotel & Spa
Coral Gables, Florida