



NEWS RELEASE

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CAPSTONE ADVISORS COMPLETES YEAR-END TRANSACTION ACQUIRES 101 ENTITLED RESIDENTIAL LOTS IN WILDOMAR, CALIFORNIA

CARLSBAD, Calif. - Capstone Advisors, a Southern California based real estate services, investment and development company, has purchased 101 entitled residential lots in the City of Wildomar, Riverside County, Calif. Capstone Advisors completed the year-end transaction with a regional lender to acquire the REO property which consists of the 41 acres known as "Rancho Fortunado Estates" located at the southwestern corner of Palomar and McVicar Streets.

The investment represents Capstone Advisors' sixth recent distressed land purchase. The acquisition price was not disclosed.

"We saw an opportunity to acquire a very well located project at an attractive price. We believe that given the location of the project and its excellent physical features, it will be a highly desirable property when the Southern California housing market rebounds," said Alex Zikakis, president of Capstone Advisors. "This transaction is in line with our strategic plan of acquiring well positioned residential assets at a significant discount to their peak values. We expect to make many similar investments in the near future."

Capstone Advisors was founded as a diversified real estate investment and advisory firm. In addition to investing, the company is currently providing third party asset management and receivership services to a variety of banks, investors and private lenders. The company has served as advisor, capital provider, asset manager, operating partner, and developer for some of the world's largest financial institutions. From 1998 to 2005, the Company primarily served as a capital provider to residential real estate developers, building itself into one of the most recognized and respected residential equity investors in the western United States. Capstone's seasoned management team, by itself or through its development partners, has entitled, built, developed or sold over 30,000 residential lots and homes.

The company's competitive advantages include exposure to an extensive network of banks and other financial institutions, public and private developers/homebuilders and residential land brokers, as well as a deep knowledge of the entitlement, development and homebuilding industry. Since inception, Capstone Advisors has invested in over \$4 billion of residential projects throughout California, Nevada, Arizona and Hawaii.

Capstone Advisors is headquartered in Carlsbad, CA at 1545 Faraday Avenue. The phone number is 760-804-6900. The company's web address is www.capstoneadvisors.com.

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