



## NEWS RELEASE

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### **CAPSTONE ADVISORS ENGAGED TO MANAGE OVER \$500 MILLION IN TROUBLED REAL ESTATE ASSETS**

**CARLSBAD, Calif.** – Capstone Advisors’ Receivership and Real Estate Advisory Services Group has been hired to manage real estate assets that secured over \$500 million of troubled real estate loans. The projects involve six large-scale development projects in different locations throughout California and include multifamily, office and master-planned communities. The lenders include some of the largest banks in the United States, international banks, private equity firms and REITs.

“We are pleased that we have been selected by some of the largest real estate lenders in the world to handle some of their most complicated assets,” said Alex Zikakis, president and CEO of Capstone Advisors. “Our engagements have included pre-foreclosure strategy, entitlement processing and traditional asset management services. Our institutional quality operating platform allows us to quickly take control of complex assets and execute a wide variety of business plans designed to not only stabilize the property, but also to add value.”

In 2008, Capstone Advisors expanded its real estate investment, advisory and development platform to focus on stabilizing and adding value to problem real estate assets including large scale residential developments, land entitlement and development projects, condominium developments and conversions, commercial developments and operating retail, office, flex, industrial and multi-family properties.

Through its experience as a fiduciary on behalf of institutional clients and partners such as Credit Suisse First Boston, JP Morgan Chase, Lehman Brothers and Bank of America, Capstone Advisors has managed more than \$5 billion of real estate assets, including the entitlement of large land tracts, development of single family homes, and operating or developing commercial properties in 13 states.

“Capstone’s hands-on development experience in acquiring, entitling, building, financing and operating a wide variety of real estate projects through several real estate cycles makes us uniquely qualified for these types of assignments,” Zikakis said. “Our lengthy track record has allowed us to form strong relationships with a broad range of municipalities, law firms, DRE processors, insurance and bonding companies, and property leasing and management firms. Our financial and reporting systems have been designed to serve the needs of sophisticated regulated financial institutions.”

Details that can be disclosed for the six most recent projects include:

- 1 Engaged by a major international bank for project feasibility and pre-foreclosure analysis for a to-be-built 300-plus unit apartment complex in Los Angeles, California. The property secured a \$20,000,000 loan.
- 2 Engaged by a real estate finance and property investment company for project analysis and asset management for an approved 1,500-plus unit to-be-built master-planned community in Coachella Valley, California. The property secured a \$35,000,000 loan.
- 3 Engaged by a large REIT lender for development feasibility and economic analysis for the remaining 1,300-plus units in a stalled master-planned community in Riverside County, California. The property secures a \$50,000,000 loan.
- 4 Engaged by a real estate finance and property investment company for the development feasibility and economic analysis for a stalled 6,000-plus unit, golf course master-planned community in the Central Valley, California. The property secures a \$240,000,000 loan.
- 5 Engaged by a large REIT lender for development feasibility and economic analysis for a stalled 3,600-plus unit master-planned community in Riverside County, California. The property secures a \$100,000,000 loan.
- 6 Engaged by a top five U.S. bank for asset management/entitlement and environmental consulting for a to-be-built 2.8-million-square-foot office complex in Northern California. The property secured an \$85,000,000 loan.

Services offered by the Capstone Advisors' Receivership and Real Estate Advisory Services Group include strategic assessment and business plan formation, operating multi-tenant retail, office and industrial projects, residential development and sales, preservation and/or completion of entitlements, project disposition services, asset repositioning, and completing foreclosure of loans or partnership interests.

#### **ABOUT CAPSTONE ADVISORS:**

Capstone Advisors has invested in and asset managed in excess of \$4 billion of residential projects in California, Nevada, Arizona and Hawaii as well as \$1 billion of commercial projects nationwide.

Founded in 1996, Capstone Advisors serves as advisor, fiduciary, capital provider, asset manager, operating partner and developer for some of the world's largest financial institutions. From 1999 to 2005, Capstone Advisors actively served as a capital provider to residential real estate builders and developers, building itself into one of the most recognized and respected residential equity investors in the western United States. Capstone Advisors' seasoned management team - by itself or through its development partners - has entitled, built, developed and sold over 30,000 residential lots and homes.

Capstone Advisors' competitive advantage includes extensive experience in multi-tenant commercial property repositioning, knowledge of land entitlement, development and homebuilding. Besides ground up development, Capstone has unique expertise in fixing highly distressed real estate assets.

Capstone Advisors is headquartered in Carlsbad, Calif., at 1545 Faraday Avenue. The phone number is 760-804-6900. The company's web address is [www.capstoneadvisors.com](http://www.capstoneadvisors.com).