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**MREC ACQUIRES ANOTHER BANK PORTFOLIO,
\$110 MILLION IN 135 COMMUNITIES FROM SYNOVUS BANK**

CHARLOTTE, N.C. —July 12, 2010—Mountain Real Estate Capital (MREC) announces another portfolio purchase of residential communities from Synovus Bank, specifically 135 residential projects located throughout the greater Atlanta area. The assets purchased by Mountain, which had a prior basis of approximately \$110 million, are composed of an estimated 1,300 acres and over 1,500 home sites. Mountain's dual plan is to first sell a portion of the projects to builders, and second to build houses in joint venture with local and regional builders with whom the company has an existing relationship. Mountain underwrote and closed the purchase of this portfolio within 30 days from entering into a purchase agreement.

"We had successfully acquired portfolios in Georgia and Florida during the first quarter, so with this additional portfolio in Georgia, and others we are currently underwriting in North Carolina, Virginia, Alabama and more in Florida, we continue to meet our fund's investment goals," said Arthur Nevid, chief investment officer of MREC. "While most of what we have bought has been composed of residential lots that we will either sell on a retail basis to merchant builders or develop through joint ventures with qualified builder partners, we are now expanding our underwriting and asset management platform to all commercial real estate types."

The underwriting of the Synovus portfolio was coordinated by Keith Alexander, director of due diligence and originated by Tom Mahathirath, senior investment manager. "The recent success that we have had with the banks goes beyond our ability to just acquire distressed loan portfolios," explains Mahathirath. "What is attractive to the banks is that we offer a unique one-stop solution on several levels: covering asset purchases, portfolio asset management for those assets that banks would prefer not to dispose and also bank equity recapitalization."

Mountain's effort to manage, sell or build out these communities will be spearheaded by its affiliate, Mountain Asset Management. "Our group includes over 15 professionals previously employed by GMAC-ResCap's Business Capital Group who have been responsible over the past 30 months for

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the management and disposition of over 32,000 lots and homes valued at over \$2 billion in similar types of communities,” states Tom Clement, Mountain’s director of asset management and special servicing. “We are active in all major housing markets and have established working relationships with most national and regional homebuilders across the country, which gives us a leg up in the underwriting, management and disposition of portfolios such as these.”

Mountain Real Estate Capital is the equity investment arm of the Mountain Real Estate Group, and is headed by Peter Fioretti, CEO. Other affiliates include its lending group, Mountain Funding, and its management and special servicing group, Mountain Asset Management.

“We have been a leading private capital provider since 1993 with a focus on value-added residential and commercial opportunities,” says Fioretti. “In this opportunistic environment, our focus is on assisting banks with the disposition of their distressed portfolios and individual assets and providing equity capital in joint ventures with select developers and builders. Recognizing our success is reliant on our relationships, we pride ourselves on being extremely responsive to our partners and sellers, and are generally able to close transactions within 30 days.”

Nevid adds, “We intend to close on multiple bank NPL/REO portfolios this year, as many banks now have sufficient reserves set aside to close on these types of transactions. We are also working with banks that need an additional equity infusion into Tier 1 capital in order to effectuate a larger portfolio sale.”

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About Mountain Real Estate Group

Since 1993, The Mountain Real Estate Group has been a leading private capital source for real estate developers, builders and operators seeking to enhance value in their existing projects or to take advantage of new opportunities. In the current environment, developers and builders have been teaming up with Mountain Real Estate Capital nationally to capitalize on the opportunities currently available, either through the restructure of their existing equity or debt arrangements or the joint purchase of a newly identified distressed opportunity. Mountain’s equity fund is organized to invest up to \$1 billion in these types of opportunities. For more information, visit www.mountainregroup.com.