



Contact: Leeza L. Hoyt llhoyt@hoytorg.com
The Hoyt Organization
310-373-0103 Phone
310-378-9805 Fax

FOR IMMEDIATE RELEASE

**Mountain Funding To Finance \$17.3 Million
High-Leverage Loan (95%) for Dallas Condo Conversion**

Charlotte, NC/Dallas, TX- May 3, 2002- Mountain Funding LLC, a national real estate opportunistic lending and investment company based in Charlotte, NC, today announced its commitment to lend \$17.3 million to a Dallas condominium converter under their new one-stop high-leverage loan program.

The program offers in one instrument, all debt and equity required up to 95% of the capital structure for residential projects and up to 90% for other property types. “By blending the components of senior debt, mezz debt and equity into one instrument and one underwriting, the borrower avoids wasting time and money normally involved in intercreditor agreements, as well as multiple due diligence processes, attorneys and third-party professionals,” said Peter Fioretti, president and CEO of Mountain Funding.

The project, a 176-unit gated apartment community in the exclusive Hillcrest section of North Dallas, has amenities that include two swimming pools, a clubhouse and a fitness center. The borrower, who is a Canadian developer experienced in Dallas

condominium conversions, plans to upgrade and convert the units to sell from \$115,000 to \$175,000.

Mountain Funding's non-recourse 3-year loan commitment covers 95% of the entire cost to acquire, improve, market and sell the project. Although funding 95% of total costs, Mountain will not be receiving an ownership interest or a participation in profits. Instead, Mountain will receive a blended combination of interest and fees, as follows: 9.25% interest (floating); 2.25% commitment fee; loan administration fee equal 1.0% of sales; exit fee (in lieu of equity) of 5.25%. The Dallas office of L.J. Melody has arranged financing. The deal is scheduled to close three to four weeks after commitment.

Mountain Funding LLC, headquartered in Charlotte, NC with additional offices in Princeton, NJ and Boca Raton, FL, provides high-leverage "one-stop" senior/mezzanine/equity financing to value-added residential and commercial projects and special situations requiring quick closings. Established in 1993, Mountain Funding has closed equity and debt transactions involving real estate projects valued in excess of \$2.8 billion. For more information visit www.mountainfunding.com.

-end-