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FOR IMMEDIATE RELEASE

TERRA CLOSSES PREFERRED EQUITY INVESTMENT IN HOTEL IN FORT WASHINGTON, PENNSYLVANIA

NEW YORK, NY - Terra Capital Partners ("Terra Capital") is pleased to announce the closing of a two-year, \$3.74 million preferred equity investment in the Hilton Garden Inn, a 146-room select service hotel located near the six million square foot Fort Washington Office Park 20 miles north of Philadelphia. A large money-center bank provided a \$13.8 million first mortgage that, along with Terra's investment, financed the acquisition of the hotel and the funding of a PIP in a transaction totaling \$21.1 million.

"This investment is Terra's first hotel investment in the Philadelphia area, a market that we believe continues to offer very attractive opportunities," said Dan Cooperman, Chief Originations Officer for Terra Capital. "The strength of the sponsor, the property's consistently improving performance and its proximity to nearby office parks made this an excellent fit for Terra."

The borrower is Ethika Investments, a Los Angeles-based investment firm that has executed over \$2.4 billion in real estate transactions in hotel, office, multifamily and mixed-use properties. "The closing had a short time frame and Terra's ability to move quickly was key to getting the transaction done. We also appreciated Terra's flexibility in structuring the transaction and the creativity that they exhibited in resolving the various issues. We look forward to doing additional business with Terra in the future", said Austin Khan, Chief Investment Officer of Ethika.

Terra is a New York based non-bank lender that specializes in mezzanine and preferred equity investments in high quality commercial real estate. Terra fills the gap between the first mortgage and the borrower's equity by funding up to 85% of the value of the underlying property. Our firm lends on multifamily, hotel, office, retail and industrial properties throughout the United States. Since 2002, we have made 300 investments nationwide in approximately 41 million square feet of property valued at over \$5 billion.

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