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TERRA CLOSES MEZZANINE LOAN FOR ACQUISTIONS OF PORTFOLIO OF MANUFACTURED HOME COMMUNITIES IN MICHIGAN AND ALABAMA

NEW YORK, NY - Terra Capital Partners ("Terra") is pleased to announce the closing of a five-year, $15 million mezzanine loan to facilitate the $150 million financing of an 11-property, 5,347-pad portfolio of manufactured home communities in Michigan and Alabama. The borrower acquired 10 properties in Michigan from Equity Lifestyle Properties, Chicago, and contributed a property it already owned in Alabama for a total transaction of $182 million.

Jeffries Loan Core LLC (JLC) of Greenwich, CT was the lead senior lender on the $135 million first mortgage, with Rialto Capital Management LLC of Miami participating in the first mortgage with JLC. The borrower was a repeat client of Terra.

"This was an attractive financing opportunity because manufactured home communities are a stable asset class, we had a well-capitalized sponsor, and there is upside potential from property performance," said Bruce Batkin, President and CEO of Terra Capital.

"Terra came into the transaction with a short time frame to close", Batkin said. In addition, the loan allowed the borrower to increase its leverage from 70% to 78% of value and to capitalize "significant reserves" in order to improve the properties and acquire new manufactured homes to lease and sell, he added.

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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