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FOR IMMEDIATE RELEASE

TERRA CLOSSES MEZZANINE LOAN ON MULTIFAMILY DEVELOPMENT IN SAN JOSE, CA

NEW YORK - Terra Capital Partners announced the closing of an \$8.7 million mezzanine loan to finance the construction of an apartment building in the Arts and Entertainment district of downtown, San Jose, California. The well amenitized building will contain approximately 3,060 sf of retail space and 105 units of rental apartments.

The to-be-built, 7 story property is situated in downtown San Jose such that it affords both freeway access to the greater Silicon Valley and is within walking distance to McEnery Convention Center, the Montgomery Theater, the San Jose State University campus, and many hotels, restaurants, and shops.

Sponsorship is venture between The Core Companies ("Core") and CMR Capital Group. Established in 1989, Core is a vertically-integrated real estate development and construction firm. Since its inception Core has developed more than 400 single-family homes, townhomes and condominiums, as well as 2,300 apartment units all within the South Bay region of California. In the last decade, Core has developed 17 properties with a total development cost of approximately \$500 million. CMR Capital Group is a diversified, real estate investment, private fund formation, and asset management firm. The first mortgage financing was provided by CapitalSource, a division of Pacific Western Bank.

"SparQ", as the building will be named, "is a beautifully designed and well-conceived project in San Jose's quickly evolving market. There is a lot going on in San Jose – job growth, expansion, gentrification - and new development is needed to keep up with demand for housing. Core is an experienced developer in San Jose and we have very high confidence in the success of this project," noted Dan Hartman, Managing Director of Terra Capital Partners. "We are very pleased to partner with a top quality developer such as Core and look forward to many more transactions together. And we of course love to partner with our friends at CapSource for construction."

SparQ, a ground-up 7 -story building designed by BDE Architecture, will include 105 residences with studios, one and two-bedroom apartments. Residential amenities including attended lobby, business center and onsite vehicle and bicycle parking. Construction is slated for completion by mid-year 2019.

"While the financing market has chilled considerably for ground-up construction, it is refreshing to find capital sources like Terra Capital that make the effort to understand our project," said Eric Marcus, Managing Partner of Vista Capital Partners of Monterey, CA, the broker of record.

Terra is a New York-based lender that specializes in mezzanine and bridge loans in high quality commercial real estate. Terra lends on multifamily, hotel, office, retail and industrial properties throughout the United States.

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