

NEWS RELEASE FOR IMMEDIATE RELEASE

RED Capital Group Closes first Small Balance Loan with Freddie Mac.

\$1.3M Loan for McCadden Apartments in Los Angeles, California

COLUMBUS, OH, Sept 14, 2015 –Freddie Mac and RED Capital Group, LLC announced today that RED has funded its first loan under the Freddie Mac Small Balance Loan initiative. The \$1.3M loan is for 1326 McCadden Apartments located in Los Angeles, California.

The property, built in 1953, is an 8-unit, garden-style apartment building located in a Los Angeles, California, neighborhood that is 100% built out and is dominated by small to medium sized apartment complexes, high-rise apartments and single family developments.

“We are very excited to jump right in and get the Freddie Mac program at RED up and running so quickly,” stated Donald Frankman, Managing Director, Small Balance Loan Originations for RED. “We are looking forward to significant growth of this platform.”

“Our team is overwhelmed by the positive response to the Freddie SBL program. With help from Brett Twente, Partner at Sequoia Commercial Lending, we were able to provide the borrower with a 10 year fixed rate term under 4% at 1.20x DSCR,” stated Lee Harris, Small Balance Loan Originations for RED. “The SBL product has proved to be the most competitive in the marketplace, and we anticipate more of the same as we move forward.”

“From the initial application process to sitting down and signing loan docs with the client, RED did a terrific job on this refinance,” stated Brett Twente. “On behalf of the client and our firm here at Sequoia Commercial Lending, we look forward to a long standing relationship with Lee, Don, and the entire team over at RED.”

Stephen Johnson, Senior Director of Freddie Mac Multifamily, said, “We are excited that our Small Balance Loan initiative is quickly gaining momentum in the marketplace and providing a strong financing option. We look forward to working with lenders to close more small balance loans and bring long-term debt capital to this market segment.”

Freddie Mac launched its Small Balance Loan offering in October 2014 to purchase and securitize small property loans of \$1 to \$5 million and with at least five apartment units.

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About Freddie Mac

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation’s residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for one in four home borrowers and is one of the largest sources of financing for multifamily

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housing. Additional information is available at FreddieMac.com, Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog FreddieMac.com/blog.

About RED CAPITAL GROUP, LLC

Recognized for its industry expertise, innovative and comprehensive structures, and consistently high rankings, RED CAPITAL GROUP, LLC has provided over \$57.5 billion of integrated debt and equity capital since 1990 to the seniors housing and health care, multifamily, affordable, and student housing industries through three operating companies. RED Mortgage Capital, LLC is a leading Fannie Mae DUS[®] and MAP- and Lean-approved FHA lender with a mortgage servicing portfolio exceeding \$16 billion. RED Capital Markets, LLC (MEMBER FINRA/SIPC) is a leader in the distribution of Fannie Mae and Ginnie Mae Project MBS, and provides structuring, underwriting, placement, and advisory services for tax-exempt and taxable housing and health care bonds. RED Capital Partners, LLC provides proprietary debt and equity solutions, and asset management in a range of forms, including subordinated gap and bridge loans. RED CAPITAL GROUP, LLC is a subsidiary of ORIX USA Corporation. For more information on RED CAPITAL GROUP, LLC, visit www.redcapitalgroup.com.

ORIX USA Corporation

ORIX USA provides innovative capital solutions that clients need to propel their business to the next level. Based in Dallas, ORIX USA has a team of more than 500 employees spanning nearly 20 offices across the U.S. and Brazil. ORIX USA and its family of companies offer investment capital and asset management services to clients in the corporate, real estate, municipal and energy sectors, while holding \$6 billion of assets and managing an additional \$29 billion, approximately. Its parent company, ORIX Corporation, is a Tokyo-based, publicly owned international financial services company with operations in 36 countries and regions worldwide. ORIX Corporation is listed on the Tokyo (8591) and New York Stock Exchanges (IX). For more information on ORIX USA, visit www.orix.com.

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