



NEWS RELEASE
For Immediate Release

Lucent Capital Secures \$22.75 Million Loan To Recapitalize the Leasehold Interest in a Class "A" Office Complex in Scottsdale, Arizona

BEVERLY HILLS, CA -- Commercial real estate advisory firm Lucent Capital has arranged \$22,750,000 in senior financing for Wolff Urban Development and American Capital for the recapitalization of its leasehold interest in Scottsdale Center, a Class A office building in Scottsdale, AZ, announced Lucent Managing Director Steven Yazdani.

The 99,980 square-foot Scottsdale Center is an institutional quality office complex constructed by the Sponsors in 2008. The property is located at the intersection of Scottsdale Boulevard and Princess Drive, adjacent to the Scottsdale Fairmont Resort and immediately adjacent to Maravilla Scottsdale, a newly opened luxury resort retirement community. The subject property is 94% leased to high quality, seasoned tenants including 65% of the NRA that is leased on a long-term NNN basis to a world-class continuing education/training facility for dentists which is a subsidiary company to one of the largest Registered Investment Advisors in the U.S. Despite "best-in-class" sponsorship and high quality of the building,

Lucent faced several challenges in securing the financing, not the least of which was the high concentration of leased space to a single tenant, collateral which was a leasehold interest and perceptions held by many lenders that fundamentals still have not returned to the Arizona market. "With a little creativity and a lot of hard work, we were able to secure fixed rate financing at a favorable structure and interest rate below what most lenders are offering, even in this low interest rate environment," said Yazdani. "In doing so, our client is able to hedge against increasing interest expense with the inevitable rise in rates that will occur over the term of the loan."

Terms of the balance sheet portfolio loan included: 75% loan-to-cost leverage, an initial term of 5 years with 3 years of interest only, open to prepayment at any time without a penalty and a 25% repayment guarantee. While the loan was priced 2.20% over the 90 day Libor, the Sponsors took advantage of the historically low Libor swap rates and swapped the loan to a fixed-rate for 5 years at under 3.7%. The loan proceeds are being used to pay off the existing debt on the property.