



FOR IMMEDIATE RELEASE

CANYON CATALYST FUND FORMS JOINT VENTURE WITH SACK PROPERTIES TO INVEST IN MULTIFAMILY PROPERTIES IN CA URBAN MARKETS

***New partnership will result in \$60-100 million of investment;
Is part of program to develop next generation of real estate investment managers in CA***

LOS ANGELES, Calif. (July 15, 2013)—The Canyon Catalyst Fund has entered into a joint venture with San Francisco-based Sack Properties, representing one of several new partnerships for the groundbreaking fund designed to cultivate the next generation of real estate investment managers. Sack Properties' investments will result in \$60-\$100 million of multifamily property acquisitions in urban markets in Northern California.

Led by Kirby Sack, the daughter of Sack Properties founder Paul Sack, the company specializes in redeveloping multifamily properties in the San Francisco Bay Area with a focus on properties in need of operational improvements and older properties in prime infill locations.

"Sack Properties has all the right characteristics the Canyon Catalyst Fund is looking for in a partner," said Bobby Turner, Chairman and CEO of Canyon Capital Realty Advisors. "We are confident that this new partnership will help an already high quality group of real estate managers expand from their base in San Francisco to San Jose and other urban markets in Northern California.

"Kirby and her team are excellent stewards of 1,290 residential units throughout several Bay Area communities, and she has an impressive in-house property management group that helps the company achieve operational efficiencies by combining resources across properties," said Maria Stamolis, Managing Director at Canyon Capital Realty Advisors. "Sack Properties also enjoys strong relationships with property owners in the area, and we are confident that our partnership will enable the company to extend their platform even further."

The Canyon Catalyst Fund is a new joint venture between Canyon Capital Realty Advisors and the California Public Employees' Retirement System (CalPERS). The \$200 million fund, which will facilitate \$400 million of investment, is designed to identify early stage real estate managers with strong potential for success, access to unique investment opportunities, and cultivate the next generation of CalPERS portfolio talent. Canyon provides direct oversight of investment sourcing, selection and deal structuring, and oversees asset management through to final realization."

"We are honored to be selected as a multifamily partner to invest this new fund alongside the team at Canyon, which has a proven track record in urban investing," said Kirby Sack. "We see our new partnership with Canyon as a great opportunity to leverage our multifamily investment capabilities and take advantage of the growing number of value-add opportunities in Silicon Valley and other urban communities in Northern California."

Canyon Catalyst Fund / 2-2-2

About the Canyon Catalyst Fund

The Canyon Catalyst Fund is a joint venture between Canyon Capital Realty Advisors (CCRA) and the California Public Employee's Retirement System (CalPERS) aimed at developing the next generation of real estate managers and deploying \$400 million into urban markets across California. Leaders from CCRA will work closely with emerging managers, acting as mentors and advisors to ensure the incorporation of best-in-class practices. CCRA is the real estate direct investing arm of Canyon Partners, LLC. Canyon Partners and its affiliates, including Canyon Capital Advisors, CCRA and ICE Canyon, are investment management firms and registered investment advisors headquartered in Los Angeles, California, with approximately \$20 billion in assets under management.

About Sack Properties

Sack Properties is a highly entrepreneurial organization with a decades-long track record of successful acquisition, management, and disposition of a broad range of multifamily properties. The current portfolio includes 1290 apartments and condominiums in 12 communities within the San Francisco Bay Area. Sack Properties recently raised its first Fund with a focus is on acquiring well located apartments in supply constrained coastal California submarkets and adding value through physical, management, and marketing improvements. The management team's detail-oriented and hands-on approach to due diligence, renovations and property management results in higher returns for investors and attractive rental home values for residents.

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