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## The Swig Company and Capmark fund form joint venture to acquire Southern California apartment community

San Francisco – October 12, 2009 -- A joint venture between an affiliate of The Swig Company, LLC, headquartered in San Francisco, and an institutional real estate investment fund managed by Capmark Investments LP has acquired the 250-unit **Arbors at Warner Center** multifamily residential community located in the Warner Center area of Woodland Hills, Calif.

The property was purchased for approximately \$33 million dollars (approximately \$132,000 per unit). Mitch Thurston and Andy Ahlers of Capmark Finance Inc.'s San Francisco office originated a new first mortgage for the acquisition through Freddie Mac's CME multifamily loan program. Investors Property Services headquartered in Foothill Ranch, CA will handle the day-to-day property management of The Arbors.

"We are very excited to have completed another venture with Capmark Investments to acquire a good institutional-quality residential community at a basis that should minimize our downside exposure and allow for great cash flow and potential upside as the economy and the local market recovers," said Ken Perry, The Swig Company's Chief Investment Officer. The Swig Company and Capmark are also partners in the \$200 million Kaiser Center project located on Lake Merritt in downtown Oakland. "This one-off investment in a multifamily residential property is clearly a departure from our business plan goal of acquiring additional urban office buildings," Perry said. "However, in addition to being a great buy, this investment creates additional product-type and geographical diversity to our portfolio." The Arbors represents The Swig Company's second major real estate holding in Southern California along with the Arco Center office complex located in Long Beach.

Capmark Investments LP, the investments and funds management operation of Capmark Financial Group Inc., is an established manager of equity real estate and mortgage-related investments in the public and private markets.

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The Swig Company, LLC ([www.swigco.com](http://www.swigco.com)) is a private investment company with a 70-year history of development, ownership and management activity in commercial real estate

properties in major markets throughout the United States. During the past three years, the Company completed more than \$1.4 billion in combined transactions, including sales, purchases, refinances and other real estate investment activities. The Swig Company's diversified national portfolio includes approximately nine million square feet of office buildings in markets such as New York, San Francisco and Southern California. The Swig Company, headquartered in San Francisco, is committed to good environmental stewardship and the implementation of environmental management programs and practices throughout its investment portfolio. The Swig Company's primary investment mission is to add value as an owner and operating partner to its investment portfolio through proactive asset management, acquisitions, dispositions, selective development and redevelopment, and professional property management. Its target markets include Northern and Southern California, New York City and Washington, D.C.