

NEWS

For Immediate Release:

Latitude Management Real Estate Investors, Inc. Closes \$17,800,000 Bridge Loan for 111,497 square foot office building in San Francisco, CA

LOS ANGELES, January 4, 2012– Latitude Management Real Estate Investors, Inc. (Formerly Legg Mason Real Estate Investors) recently closed a \$17,800,000 bridge loan to facilitate the acquisition of 989 Market Street located in San Francisco, California. The loan was made through Legg Mason Real Estate Capital II, a discretionary bridge mortgage real estate fund.

The loan is collateralized by an 111,497 square foot office building in San Francisco, CA. The borrower is a San Francisco based firm, and is an experienced owner and operator of San Francisco real estate. The borrower will use the tenant improvement and leasing reserve to facilitate the lease up of the property. Within two months of acquisition, the borrower has already leased one floor and has multiple letters of intent outstanding for leasing two additional floors of the building. The borrower believes it will be able to lease up and stabilize the property within 12-18 months.

The floating rate loan represents 57% of the appraised stabilized value and 64% of total cost. The loan includes a renovation reserve, and an interest reserve to cover debt service payments while the property is being renovated. The term of the loan is 36 months with one extension option and is pre-payable without penalty at anytime, subject to yield maintenance.

Latitude Management Real Estate Investors, Inc. is a real estate fund manager that originates, invests in, and manages commercial real estate loans and value-add real estate assets throughout the United States. Specific investments include first mortgages, distressed debt and real estate equity. For further information please contact Michael Bachenheimer at (310) 234-2109 or Mark Milovic at (310) 234-2144, or refer to the company website, www.lmrei.com.