

COHEN FINANCIAL REVEALS DISTRESSED LOAN STRATEGIES FOR COMMERCIAL REAL ESTATE INVESTORS AND LENDERS

EXPANDS CONSULTATIVE SERVICES IN ANTICIPATION OF A \$1.3 TRILLION DOLLARS IN BANKING INSTITUTION CRE LOANS MATURING BY 2013

Chicago (October 27, 2009) – Cohen Financial, a leading national real estate capital services firm, announced the company's view on helping commercial real estate investors and portfolio lenders resolve distressed loans. Based on increased client demand that began earlier this year, Cohen Financial is offering an array of consultative services and strategic workout solutions.

"With approximately \$1.3 trillion dollars of commercial real estate (CRE) loans coming due in the next four years, primarily from banks and commercial mortgage-backed securities (CMBS), the core of our unique strategy is to bring borrowers and lenders together early to help solve the challenges of distressed situations," said Joe Franzetti, Cohen Financial Managing Director in charge of the Debt Advisory Group. "Also, as banks look to acquire a deeper understanding of their loans, Cohen Financial will provide turnkey solutions that include determining a loan's market value, evaluating risks and individual borrower plans, as well as creating a clear vision of how best to position their portfolio."



Based on its long term relationships with banking institutions, Cohen Financial management anticipates that portfolio lenders will consider distressed loan strategies that require the borrower to share in the economics of the transaction. The most compelling are:

1. Debt modifications - lenders agree to reduced interest rates or slow down amortization rates to allow cash flow to be reinvested in the assets.
2. Discounted Payoffs (DPOs) – when modifying an existing loan is not the highest value solution, the borrower will refinance the property and utilize the proceeds to buy back the loan for a percent of the original price.
3. Senior and Subordinated A/B strategies –when the property needs time to be managed until markets recover, the loan will be bifurcated into senior and subordinate debt. Senior debt will be supported by the property's existing cash flow and subordinate debt will be held until the recovery.

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“In today’s market, borrowers and lenders need to have a realistic and objective view of value, risk and optimal resolution. Cohen Financial has the tools and expertise to help these market participants reach that resolution,” Mr. Franzetti concluded.

About Cohen Financial

Cohen Financial is a real estate capital services firm offering debt and equity placement, investment brokerage, loan administration and advisory services. Marking 31 years of capital markets experience in 2009, the company is recognized as one of the nation's leading originators of commercial real estate financing. Cohen Financial serves clients throughout the U.S. from offices in 8 major markets.

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