



For Immediate Release

CANYON MULTIFAMILY IMPACT FUND CLOSES ON FIRST ACQUISITION

Multifamily community in Palmdale to undergo significant improvements

LOS ANGELES, Calif. (September 11, 2013)—The Canyon Multifamily Impact Fund, a real estate fund focused on multifamily workforce housing in underserved communities, has acquired its first property, The Fountains at Palmdale.

The acquisition is the first within the Canyon Multifamily Impact Fund, an innovative joint venture between Canyon Capital Realty Advisors and Citi Community Capital that addresses the need for higher quality workforce housing in underserved communities across the United States. The Fund's leadership team is currently identifying and evaluating potential investment opportunities in urban areas throughout California, Texas and Illinois. Individual investments will range in size from \$20 million to \$90 million for both individual properties and multi-site portfolios.

Built in 1986, the Fountains at Palmdale is situated on 21 acres with 336 units ranging from one to three bedrooms, at an average size of 874 square feet. The apartment complex is more than 80% leased.

The Canyon Multifamily Impact Fund will launch a multi-million-dollar renovation program that calls for interior unit improvements, upgrades to common area amenities – including the fitness center, swimming pools, athletic courts and the addition of a playground – as well as new roofs and pavement. The plan will also result in the creation of a multipurpose community room for new resident services such as children's enrichment programs, health and wellness activities, and educational seminars. Integral to the physical and operational changes will be the adoption of measures that enhance resource conservation and improve the efficiency of water and power usage onsite, including the installation of drought-tolerant landscaping.

"We are thrilled to announce our first acquisition within the Canyon Multifamily Impact Fund, and to take on an active ownership role that will enable us to make a long-term, positive impact on a formerly underserved rental community in Palmdale," said Bobby Turner, Chairman and CEO of Canyon Capital Realty Advisors. "The Multifamily Impact Fund is a perfect extension of our 'triple bottom line approach' of investing at Canyon that calls for achieving financial returns while advancing community development and embracing environmental responsibility."

"We are off to an early start addressing the physical needs of the property and will soon roll out security, healthcare and education resources and programs for tenants at The Fountains at Palmdale," said Dan Millman, Principal at Canyon Capital Realty Advisors. "We are hopeful that these significant changes will help encourage pride of rentership and support a strong sense of community."

"Citi Community Capital has long been a leader in the affordable housing investment community and the Palmdale project is an exciting step for Citi's partnership with Canyon," said Andrew Ditton, Co-Head of

Fountains at Palmdale – Canyon Multifamily Impact Fund / 2-2-2

Citi Community Capital. “As the Fund continues to evolve, we believe it will play a pivotal role in helping to make a meaningful positive impact on underserved communities throughout the region.”

Additional information may be found at www.canyonmultifamilyimpact.com.

#

About Canyon Capital Realty Advisors

Canyon Capital Realty Advisors LLC (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 \$23 billion in assets under management. CCRA’s investment platforms include: (a) the Canyon-Agassi Charter School Facilities Fund, a joint venture with Andre Agassi focusing on the development of learning friendly, environmentally responsible charter school facilities for best in class charter school operators, (b) Canyon’s Urban Investment funds including the Canyon-Johnson Urban Funds, a series of closed-end real estate funds and joint venture with Earvin “Magic” Johnson focusing on inner-city and urban real estate development, (c) The Canyon Catalyst Fund, a joint venture with the California Public Employee’s Retirement System (CalPERS), aimed at developing the next generation of emerging real estate managers, and (d) the Canyon Value Mortgage Funds, which originate and/or purchase senior and mezzanine mortgage debt.

About Citi

Citi Community Capital (CCC) is a premier financial partner with nationally recognized expertise in financing all types of affordable housing and community reinvestment projects. CCC's origination, structuring, asset and risk management staff across the country provides creative financing solutions designed to meet their clients' needs. CCC helps community development financial institutions, real estate developers, national intermediaries and nonprofit organizations achieve their goals through a broad, integrated platform of debt and equity offerings. Additional information may be found at www.citicommunitycapital.com.

Citi, the leading global bank, has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management.

Additional information may be found at <http://www.citigroup.com> | Twitter: @Citi | YouTube: <http://www.youtube.com/citi> | Blog: <http://new.citi.com> | Facebook: <http://www.facebook.com/citi> | LinkedIn: www.linkedin.com/company/citi.

MEDIA CONTACTS

Steve Sugerman
(310) 974-6680 / www.sugermangroup.com

Scott Helfman, Citi
212-816-9241 / scott.helfman@citi.com