



PRESS RELEASE

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Media Contact:
David Barr (202) 898-6992
Email: dbarr@fdic.gov

FDIC Announces Winning Bidder of \$1 Billion in Loans

The Federal Deposit Insurance Corporation (FDIC) has closed on a sale of an equity interest in a limited liability company (LLC) created to hold certain assets out of 22 failed bank receiverships. The winning bidder of the Multibank Structured Transaction was Colony Capital Acquisitions, LLC, Los Angeles, CA.

The sale was conducted on a competitive basis with bids received on December 17, 2009. A total of 21 groups submitted bids to purchase a 40 percent ownership interest in the newly formed LLC. The participating FDIC receiverships will hold the remaining 60 percent equity interest in the LLC.

The FDIC as Receiver for the failed banks conveyed to the LLC a portfolio of approximately 1200 distressed commercial real estate loans, of which seventy percent were delinquent. Collectively, the loans have an unpaid principal balance of \$1.02 billion. Seventy-five percent of the collateral of the portfolio is located in Georgia, California, Nevada and Florida. The participating FDIC receiverships provided financing to the LLC by issuing approximately \$233 million of corporate guaranteed notes. Colony Capital paid a total of approximately \$90.5 million (net of working capital) in cash for its 40 percent equity stake in the LLC, which equals approximately 44 percent of the unpaid principal balance of the assets. As the LLC's managing equity owner, Colony Capital will provide for the management, servicing and ultimate disposition of the LLC's assets.

The bid received from Colony Capital Acquisition, LLC, was determined to be the offer that resulted in the greatest return to the participating receiverships. All of the loans were from banks that have failed during the past 18 months. The sale closed on January 7, 2010.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). **PR-3-2010**