



**PRESS RELEASE**  
**Information Embargoed**  
May 23, 2011

**For More Information**  
Mary Alice Kaspar  
Ph: (512) 963-1096  
E: [makaspar@columbuscomm.com](mailto:makaspar@columbuscomm.com)

**AUSTIN REAL ESTATE FIRM FUNDS \$39M IN TEXAS PROJECTS**  
*Real Estate Debt and Equity Firm Targets Distressed Properties in Texas*

Austin, TX – May 23, 2011 – First Capital Funding, LLC (FCF) and Principals Capital Funding, LLC (PCF) have together completed more than \$5 million of funding on \$39 million of market value projects in equity financing and debt lending deals throughout areas in Texas with a focus on Central Texas – marking the recovery of both the debt and equity markets.

The two Austin-based sister companies – both founded and operated by J.P. Newman and his team – focus primarily on multi- investment properties. Most of the properties being purchased and funded are B and C class REO/foreclosure opportunities being purchased from banks, as the cycle of clearing out their bad debt is picking up steam. They are also close to or in urban areas, namely in the Austin, Dallas, and Houston markets.

On the equity side, recent transactions include:

- **The new construction of a 240-unit apartment complex in South Austin** called the Retreat at North Bluff. PCF participated in the equity financing to the asset, which is a joint venture between the Austin Housing Finance Corp. and Captuity Investments. It is one of the largest HUD 221(d)(4) projects in Austin, with the goal of creating affordable housing. Construction was completed in December, and a ribbon cutting ceremony with top City of Austin officials takes place this Friday.
- **The rehabilitation of an 810-unit apartment complex in Houston** called Glendale Park. PCF participated in equity financing for the asset, which had been foreclosed on by its bank. This transaction was a joint venture with Los Angeles-based Post Investment Group.
- **A 200-unit apartment complex in Garland, Texas**, called Eagles Landing, which is presently under contract and slated to close in mid-May. PCF is participating in the equity financing for the asset, which had been foreclosed on by its bank. This deal is also structured as a joint venture with Post Investment Group.

Over the past four months, FCF has also provided \$4.2 million in short-term lending to six projects. Four of the properties are located in Austin, while the other two are apartment complexes in Corsicana, Texas, and Sweeny, Texas. The Austin properties

include two distressed investment homes, a duplex purchased on a short sale, and a 54-unit apartment complex that was originally turned down by a local bank.

“There has been a great opportunity for us on the private lending side as banks are saying ‘no’ to too many people these days – and our goal is to offer a solid short term financing alternative. At the same time, individuals are seeking investment models outside of the stock market,” says Newman, founder and president of FCF and PCF. “Our two companies are stepping in to fill both voids by providing short-term financing to property owners, and investment opportunities in tangible assets to investors.”

Investors positioned as first lien lenders are flocking to this kind of model because they stand to make consistent, risk-adjusted returns based on a hard asset. And unlike gold, silver, and most other commodities, commercial real estate is 40 to 60 percent below its peak value before the capital market collapse in 2008.

“That’s the primary reason I think real estate is the best investment alternative at this time – regardless of which way the economy goes,” Newman says. “If the economy improves, the asset values improve. If the economy goes down again, as some people fear, then we’re well positioned by owning assets that provide housing at a reasonable price-point.”

### **About First Capital Funding**

First Capital Funding is a private real estate investment banking company, specializing in making commercial real estate loans from \$500,000 to \$3 million. Our first lien lending investments appeal to those who desire the protection of a secured investment combined with a pre-determined high rate of return and fixed monthly interest payments.

The FCF team has a deep understanding of real estate with 30+ years experience in all major property types. We have been involved in the placement of more than \$125 million worth of equity transactions since 2005 through our sister company, Principals Capital Funding, LLC. For more information, visit: [www.fcapfundusa.com](http://www.fcapfundusa.com).

### **About Principals Capital Funding**

Principals Capital Funding offers prudent investors the opportunity to earn consistently higher than market average returns on short-term equity investments. The company's offerings are backed by income producing real estate.

For more information, please contact JP Newman at 512 692-4195 or [jp@pcapfund.com](mailto:jp@pcapfund.com). Principals Capital Funding and its sister company, First Capital Funding, offer two kinds of investment opportunities: Debt and Equity Structures. These programs are designed for investors with different objectives and needs.