

Younan Finance Group Purchases Performing Mezzanine Loan

First Debt in New Fund

LOS ANGELES, May 14, 2008 -- Younan Finance Group, an affiliate of Younan Properties, Inc., announced today that it is under contract to acquire a \$22.9 million mezzanine note on Thanksgiving Tower in Dallas from Rubicon Capital America LLC. The acquisition of the mezzanine note will mark the first acquisition of performing loans since the formation of the Younan Finance Group. Thanksgiving Tower, a 50-story Class A office building was acquired in February 2007 by an affiliate of Younan Properties, Inc., which will continue to manage the property after the completion of the acquisition of the mezzanine note.

Commenting on the announcement, Zaya S. Younan, chairman and CEO said, "This is the first of several favorable debt acquisitions we will be making over the next few months. With the dislocation in the credit markets that began last August, we have an excellent opportunity to participate at a level below the market value of a Class A office asset and with a return on investment that is compelling and will benefit our investors."

In April, Younan announced it formed the Younan Finance Group to acquire a broad range of debt and debt-related securities and instruments backed by Commercial Real Estate. The Group initially will invest up to \$200 million in performing and underperforming office loans throughout the country in transactions ranging from \$5 million to \$50 million.

Younan continued, "Many investment banks and mortgage REITs relied in recent years on the CDO market to provide inexpensive and plentiful long-term debt capital. When the CDO market shut-down during 2007, many REITs that were accumulating assets for securitization using short-term warehouse and repurchase facilities were left with short-term debt that could not be refinanced via the CDO market. Since January of 2008, the market for commercial mortgage bonds has frozen, as spreads on all levels of paper have swelled to historic highs. Younan's reputation for closing transactions quickly is due, in part, to our all cash position, which contributes to the strength of our bids and positions us favorably for future deals."

Known for its detailed, hands-on approach to improving operational efficiencies while maintaining top building standards for tenants, the company is recognized for its success in turning around undervalued assets and maximizing the value of stabilized assets. Younan has accumulated nearly 12 million square feet of well-located Class A office buildings in key markets in Texas, Illinois and Arizona. Additional information about Younan Properties, Inc. can be found at www.younanproperties.com.