

LRG Capital Announces Loan Facility for SD Mega Block Real Estate Construction Project

Larkspur, CA, January 19, 2007 -- LRG Capital Group is pleased to announce the closing of a loan facility for SD Mega Block LLC, the owner of a mixed use real estate development project in San Diego, California. The loan transaction consists of a short term secured note for project development costs during the entitlement approval stage of this construction project.

The San Diego based SD Mega Block was founded to construct a new 35 story commercial and residential use building within the city limits of San Diego. The mixed-use property will also include an historic commercial building, an automated robotic public parking garage, an outdoor retail plaza and a community park. The project is slated to begin construction in 2007 and the developer, Avion Development, anticipates that completion will occur in 2009. The noted architects, Austin Veum Robbins Partners, have designed a spectacular tower on this site just one mile from downtown San Diego.

About LRG Capital Group

LRG Capital Group is a global investment, banking and advisory boutique that focuses on public and private companies in the technology, life sciences, hospitality, real estate, and entertainment sectors. The firm provides capital via private equity, commercial loans, and structured debt financing, and guides and advises clients on mergers and acquisitions, corporate finance advice and other strategic alternatives. Headquartered in San Francisco with offices in New York and Miami, LRG Capital Group excels at relationship-focused guidance and financing.

###