

June 2009

Dear Clients, Friends and Colleagues,

We're pleased to announce our June update for the firm:

**LRG Capital Funds:**

[LRG Capital Real Estate Partners I Fund Purchases Berkeley, California Apartment Complex](#)

[LRG III Fund Investment GlassHouse Joins Forces with Bull](#)

[LRG III Fund Investment VirtualScopics' Project Balance Exceeds a Record \\$31 Million, Q1 Revenues Grow by 31% and Gross Profit Increases 85%](#)

**LRG Capital Group:**

[LRG Capital Report Provides Commentary on the Current Financial Turmoil. This week's title: "If You Think Things Are Getting Better, Think Again."](#)

[Lawrence Goldfarb Joins Easter Seals of Northern California's Diplomat Board](#)

**LRG Capital Real Estate Partners I Fund Purchases Berkeley, California Apartment Complex**

LRG Capital Real Estate Ventures announced that the LRG Capital Real Estate Partners I Fund has acquired a multifamily complex located at 1244-1246 Hearst Avenue in Berkeley, California near the University of California campus. The purchase of the 4 single-story and 1 three-story buildings was completed at the price of \$221 per gross building square foot and comprises 23 studio, one bedroom and two bedroom units and 15 parking spaces on a half acre parcel.

"1244-1246 Hearst Avenue is an attractive acquisition that provides both strong current income and clearly defined opportunities for value creation," said Lawrence Goldfarb, CEO and founder of LRG Capital Group. "We acquired this property at a price well below replacement cost and due to the unique benefits of the property's central location, including proximity to UC Berkeley and San Francisco, the complex has strong occupancy rates and positive cash flow."

The LRG Capital Real Estate Partners I Fund primarily makes direct, intermediate term equity investments in commercial and multifamily properties located in or near California's premier cities and, to a lesser extent, development and rehabilitation projects for office, multifamily, industrial, retail and mixed-use properties. The Fund is co-managed by Evan Kraus, Executive Vice President of LRG Capital Group, Lawrence Goldfarb, CEO of LRG Capital Group, Geoffrey Koblick, a seasoned real estate investor who has been active in California commercial real estate for over 23 years, and Richard Hall, a respected commercial real estate manager and investor since 1999.

The 1244-1246 Hearst Avenue, Berkeley, California apartment building joins other commercial, multi-family and mixed-use properties in the LRG Capital Real Estate Partners I Fund's portfolio including 851 Irwin Street, San Rafael, California, 505 A San Marin Drive, Novato, California, 18360 Sierra Drive, Sonoma, California, 384 Bel Marin Keys Blvd, Novato, California, 220 Canal Street, San Rafael, California and 125 E. Sir Francis Drake Boulevard, Larkspur, California.

**LRG III Fund Investment GlassHouse Technologies Joins Forces with Bull**

GlassHouse Technologies, a leading independent IT infrastructure consulting and services firm, announced that it has entered into a strategic agreement to jointly deliver storage consulting services throughout Europe with Bull, the expert in open, flexible and secure information systems and one of Europe's leading players in the IT industry. For more information please visit [www.glasshouse.com](http://www.glasshouse.com).

**LRG III Fund Investment VirtualScopics' Project Balance Exceeds a Record \$31 Million, Q1 Revenues Grow by 31% and Gross Profit Increases 85%**

VirtualScopics, Inc. (NASDAQ: VSCP), a leading provider of quantitative imaging for clinical trials, announced that its project balance (the amount remaining to be recognized from its active and awarded projects and commonly referred to as backlog within the clinical research industry), exceeds \$31 million which compares to \$13.7 million at the same time a year ago, a greater than 120% increase. VirtualScopics also announced Q1 revenues are up 31% and gross profit has increased 85% over the prior year's first quarter. For more information please visit [www.virtualscopics.com](http://www.virtualscopics.com).

**LRG Capital Report Provides Commentary on the Current Financial Turmoil**

To visit the LRG Capital Report, please click [here](#) or visit [www.lrgcapitalreport.com](http://www.lrgcapitalreport.com). This week's post is titled: *If You Think Things Are Getting Better, Think Again*

**Lawrence Goldfarb Joins Easter Seals of Northern California's Diplomat Board**

Larry Goldfarb was invited to join the Easter Seals Diplomat Board. The Diplomat program is for vital community leaders to help support Easter Seals' programs and services for children and adults with disabilities and special needs. To learn more about Easter Seals of Northern California, please visit <http://noca.easterseals.com>

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For more information, visit [www.lrgcapital.com](http://www.lrgcapital.com) or contact Alexis Banducci at: [abanducci@lrgcap.com](mailto:abanducci@lrgcap.com) or 415.834.4664

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