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**Palisades Financial Once Again Beats Market Averages With 16 Percent Returns in 2007**

***Principals Adjust Investment Strategy for Bearish Market***

**FORT LEE, N.J. (April 29, 2008)** – Palisades Financial, a leading real estate investment banking and advisory firm, announced that its Palisades Regional Investment Fund II (PRIF II ) earned 16 percent in 2007, net of all fees and expenses. Palisades remains positioned to continue to outperform the marketplace based on its contrarian investment model.

“Our Fund’s best returns have historically occurred in markets of severe dislocation,” Palisades Financial Principal James F. Calvano said. “As more and more capital providers are being forced to the sidelines, our firm is actually seeing a dramatic increase in lending activity among a broad cross-section of borrowers.”

Since inception, PRIF II made 62 investments - 60 percent in multifamily residential developments, 16 percent in specialty developments and 14 percent in office markets, primarily in the New York metropolitan area. More than half of the fund’s assets are in the form of first mortgages with 40 percent allocated in second mortgage and mezzanine loans. Palisades is also targeting non-performing, distressed properties and debt for acquisition – something it has not done since 2003.

“Our continued growth and success as a company comes from our ability to source and understand off-market deals on behalf of our fund and select institutional partners,” said Palisades Financial Principal Jack Chimento. “We have built a cohesive team that delivers on our promises, is able to effectively identify investment opportunities with significant potential and has the flexible capital structure to quickly capitalize on opportunities.”

***About Palisades Financial***

Palisades Financial, an investment banking and advisory firm specializing in commercial real estate and secured corporate lending has successfully completed over \$2 billion in transactions in 14 states. In 2002, Palisades Financial launched its first real estate private equity fund, Palisades Regional Investment Fund I, which invested in transactions valued at over \$500 million. The company subsequently launched its second fund, Palisades Regional Investment Fund II, and is raising \$200 million to invest in transactions ranging from \$2 million to \$50 million plus.

Palisades Financial originates bridge and mezzanine financings secured by a variety of property types, including land, retail, multi-family, office, light industrial and specialty use properties. Borrowers have utilized Palisades Financial proceeds for acquisitions, development, construction and recapitalizations. Palisades Financial also invests directly in real property and acquires non-performing mortgages. Both Palisades Financial and the Palisades Regional Investment Funds are based in Fort Lee, New Jersey. For more information, call 201-894-5000 or visit [www.palfi.net](http://www.palfi.net).