



GREENCROSSING

REAL ESTATE CONSULTING

PHILOSOPHY & EXPERTISE

The Greencrossing philosophy.....is a Principal to Principal approach to give our clients unique and insightful advice to address their distressed asset needs. We do not take a boiler plate approach and we do not throw a bunch of hyperbole at you. At the end of the day we are going to understand your assets and their problems better than anyone and we will provide you with alternatives and a roadmap from which to execute an appropriate workout strategy.

Our Principals have worked in all facets of the residential real estate space including land entitlement and development, production home building, real estate capital markets (both equity and debt), market research, acquisitions & dispositions, and mergers & acquisitions. This breadth of experience and knowledge allows Greencrossing to evaluate situations from all stakeholder perspectives. It is with this unique understanding that Greencrossing can analyze, consult, and implement solutions for our clients.

ASSET MANAGEMENT & CONSULTING SERVICES

- Single Asset & Portfolio Valuation
- REO and Pre-REO Support
- Asset Re-entitlement and Re-positioning
- Land Use and Entitlement Analysis
- Disposition Strategies and Management
- Peer Review of Existing Operating Partner
- Single Asset & Portfolio Management Services
- Financial Analysis, Modeling and Forecasting
- Other Management & Consulting Services

INQUIRY CONTACT INFORMATION

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Right now, there seems to be a lot of “noise” in the workout arena as more distressed asset experts are forming everyday with promises of turn-key solutions and experienced teams. We have a simple philosophy at Greencrossing of letting our work speak for itself.

Having successfully acquired, entitled and developed over 20,000 lots in some of the most acknowledged communities in California; constructed over 3,000 new homes; and a career that spans over two decades, we have the complex business of distressed land and housing management down to a science. And most importantly...we can show you.

We hope you find the following Distressed Asset Management Insights helpful. If you need support on some of your more challenging assets and loans, we would be interested in speaking with you further.



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Here are a few important things to consider and questions to ask of your potential distressed asset and loan consultant before selecting them:

- **Will a Principal or junior associate be doing the bulk of the work?**

(INSIGHT: At Greencrossing, Principals Tom Banks and Jason Perrin always work directly on each engagement. They are your interface and you receive their work product.)

- **Are you a Broker first, and a “Work Out Specialist” second?**

(INSIGHT: Many “Work Out Specialists” are in fact current and former Brokers who have little experience in asset management and they are using consulting as an avenue to get access to your loans and property.)

- **Have you personally entitled and developed property?**

(INSIGHT - Consultants who have made careers out of giving advice in the good times may not be well suited to advising and managing your distressed loans and assets in today’s economic climate.)

- **In today’s environment, is it more important to understand your asset or the market?**

(INSIGHT – There are plenty of marketing specialists touting themselves as distressed asset experts but they have generally never purchased, entitled, developed or managed an asset through its lifecycle.)

- **Was anyone on your team working through troubled real estate during the last downturn?**

(INSIGHT – Today there are a lot of inexperienced industry people who have not been through this process before and are learning much of what they know at your expense.)

Here are a few important things you and your workout consultant should be doing on all distressed assets (...and things that may not have been considered):

- **Current Tax Status & Tax Appeal Potential**
 - Delinquent taxes are always in first position so you better know their status.
 - Appealing and reducing property tax basis is smart business and a way to reduce carry costs.
- **Insurance**
 - What is the status of the project’s general liability insurance?
 - Are you covered by the original general contractor’s policy?
 - Can you reduce premiums because your property is in a “mothball” state?
- **DRE Compliance & Complexity**
 - The Department of Real Estate can be a very complex organization and you better know how your property stands vis-à-vis their rules and regulations.
- **Environmental Site Assessment (ESA’s)**
 - Many projects may have new environmental issues as people can treat these vacant projects as their own dump site.
- **Annual Carry Costs Analysis & Budget**
 - As an owner, understanding your annual carry costs is critical to formulating and choosing the appropriate exit strategy.
- **Entitlement Preservation**
 - Whether you are dealing with raw, paper or final mapped lots, there is almost always a risk of losing your current level of entitlements.
- **Entitlement Enhancement & Re-entitlement Potential**
 - As a result of drastically different market conditions, many properties may benefit from re-entitlement. It is also a good time to negotiate new entitlements with agencies because of the economic stress.
- **Development Analysis**
 - Because real estate values have dropped significantly more than development costs, some projects may benefit from a re-design which results in fewer units but more than makes up for that loss with greatly reduced improvement costs.
- **Offsite Requirements**
 - Offsite requirements of a project can be financial killers. They are also something that can slip through the cracks today because in many cases, the original project managers and principals involved with the project are long gone.
- **Site Security**
 - Perimeter fencing, security camera, letting local authority know the status of the project.
- **Improvement Bonds**
 - Understanding your exposure through improvement bond obligations is important to maintain your good standing with project involved agencies.
- **Political Environment**
 - It is important to understand the political make-up of the city, county, or agency involved with your project. These politics can help you through a re-entitlement or hurt you through certain improvement bond obligations.
- **CFD’s & AD’s**
 - If your project is encumbered by a community facilities district, assessment district or some other form of tax bond obligation, it is critical to thoroughly understand the financial implications.