

**EXPERT ADVICE
FOR DISTRESSED LAND ASSETS**



All Your Land Needs

1. Seek Perspective on Exit Strategies

Now more than ever, successful disposition strategies require seeing the market through new eyes and from a different vantage point. Improved processes, innovative ideas and new opportunities are frequently born from the slightest shift in perspective. Frequently, these shifts in perspective come from outside the organization and can be useful for developing efficient and successful exit strategies for your distressed assets. Actively seeking out new perspectives can lead to a more comprehensive understanding of the intricacies of local and regional markets, which will improve your returns for distressed assets.

As you know, the process of selling land assets is highly complex. Your organization might have some expertise in a few focused areas, but might lack the expansive resources and knowledge required to uncover the best available sales strategies. A wide range of market factors need expert analysis to develop a successful exit strategy. For example, what are the conditions of the immediate sub-market, including new and resale home values and the troubled assets of other banks, homebuilders and land developers? How could the market's government approval, zoning and planning codes affect the value of your land assets? Moreover, what is the make-up of the market's land pipeline? How much and what types of land are available now and will soon become available in the future?

These are only a fraction of the many market factors which will determine the success or failure of your exit strategy. Seeking a fresh perspective and expanding your knowledge base will help

develop an effective exit strategy for disposing of troubled assets at optimum value.

2. Market notes and REO to the right audience

Fundamental and profound paradigm shifts in the economy have changed the very nature of the target market for distressed land assets. There are qualified buyers for REO and notes out there actively seeking deals but who are they, where are they, and how does one reach them?

Sound market research and analysis conducted by land sales experts can help identify the right target audience for your needs. With the economy in turmoil, many sellers are unaware that the downturn has altered their traditional target audience. It is not uncommon for sellers to squander precious resources by marketing assets to an extinct or limited target audience. With a well developed, up-to-the-minute understanding of the market, however, it becomes possible to identify and reach new classes of buyers that are emerging due to fundamental shifts in the economy.

3. Don't go it alone—expand your reach and returns by partnering with best-in-class regional service providers

Utilize the resources available to you. In today's market, collaborating with industry experts is a key to an efficient and successful workout of troubled assets. The cost for going it alone will be significantly greater than any expense paid to service providers.

Looking outside of your organization for assistance can provide valuable perspective and new insights into your market. Hiring a third party land expert can help you see your distressed assets through a new lens and in a different, more intricate and localized context. Improved or entirely new exit strategies can be generated when you reach out and add specialized market knowledge to your team. Certainly, many organizations are hesitant to incur additional costs on top of existing losses. However, investing money now to ensure your assets are managed properly is a sound strategy for enhancing value in the long-term.

Partnering with land experts that can provide invaluable data, insight and innovative strategic approaches has become an absolute necessity. The right land expert can help you develop the best exit strategy for your assets. When selling, you will be able to successfully market these assets to the right target market of qualified buyers. In short, best-in-class service providers can expand your market knowledge, provide valuable insight and help create the right opportunities to sell your distressed assets for the highest possible return.

Inverness Knolls: Achieving Sales in a Down Market

Vital Statistics

Potomac, Maryland

Seller: Carl M. Freeman Associates, CMF/Inverness Investment

Buyer: Inverness Knolls Tenants Association

Agents: Rich Samit and Mychael Cohn

Settle Date: December 19, 2008

Sale Price: \$8,200,000

Description: 45 residential units

Project Abstract

Fraser Forbes agents Richard Samit and Mychael Cohn were hired exclusively to represent Carl M. Freeman Associates in the sale of Inverness Knolls, a 45 unit residential property in Potomac Maryland, and successfully finalized the sale on December 19, 2008.

Within four months of Fraser Forbes' involvement, Fraser Forbes marketed the property to in excess of 100 prospects and brought dozens of offers to the seller by creating a competitive bidding process. By June 2008, Fraser Forbes had secured a contract at an attractive price and closed on the property in December 2008. With the process Fraser Forbes developed and managed, Fraser Forbes was able to secure the best price on the property for the owner in a timely manner.