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CANYON PROVIDES UPDATE ON CAL NEVA PROPERTY

--Property to remain open as Canyon assesses the property and its future--

LAKE TAHOE, CA (April 22, 2009)—Since completing the foreclosure process and taking ownership of the 13-acre Cal Neva Resort, Spa and Casino on the north shore of Lake Tahoe on April 8, Canyon Capital Realty Advisors (“Canyon”) has taken several action steps to stabilize the business operations of this iconic and historic asset that has been a fixture in the region since opening in 1926.

Canyon reiterated to the Tour & Travel industry and to very supportive local residents its intention to keep Cal Neva open for business. “We’ve made it very clear that our plan is to keep the property open while we assess the property and its future, said Jonathan Roth, Principal of Canyon . “Our commitment to improving Cal Neva has been extremely well received in the business community.”

Canyon is a highly-experienced investor in the hotel and casino industries, with successful investments in markets throughout the country, including Nevada. The firm will draw on its deep relationships and experience in the hospitality industry to develop a game plan that will maximize the value of Cal Neva.

Within 24 hours of taking ownership, Canyon hired a new team, NHH Hotels & Resorts, to manage the hotel, and related operations. NHH is one of the nation’s leading hospitality management firms, with particularly strong experience in turn-around scenarios.

Already, NHH has begun to stimulate activity at the resort in advance of the summer, and will be announcing exciting summer packages. The management company is also actively seeking to bring back much of the wedding and other event-oriented business that has been part of Cal Neva’s rich history, not to mention an essential revenue generator for the resort over the years.

Also in the past week, the Canyon team has begun fielding dozens of calls from the investment community who have expressed interest in the Cal Neva property. The resort sits on 13 acres, and includes 220 rooms and cottages, a casino, restaurants, a spa and open space featuring panoramic views of Lake Tahoe. “Cal Neva is an historic property located in one of the most beautiful settings in the West,” said Richard Bosworth of Canyon. “The history, the setting and the upside potential of what can be done on these 13 acres are attributes that are capturing the focused attention of the investment community,” he added.

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Cal Neva Update / 2-2-2

During the past week, Canyon also clarified for potential investors the non-traditional bidding process that was mandated due to the fact that the property sits in two states. Because of this fact, there were two deeds of trust and, therefore, separate auctions for the California (1/3) and Nevada (2/3) parcels.

This unique bidding process masked the true market value of the entire Cal Neva property and dissuaded interested purchasers from bidding at the two foreclosure sales. “It is not at all unusual for lenders to emerge as the successful bidder at a foreclosure sale as the statutorily mandated process rarely lends itself to any other outcome,” Roth said. The property is mutually dependent. It is contiguous and cannot be bifurcated.

“Canyon has emerged from the foreclosure process as the owner of the entire property. “In one week’s time, we have put a professional management team in place, have seen tremendous interest from the investment community and have been embraced by the community who are thrilled that Cal Neva is open for business,” Roth said.

About Canyon Capital Realty Advisors LLC

Canyon Capital Realty Advisors LLC and its affiliate Canyon Capital Advisors LLC are registered investment advisors and money management firms based in Los Angeles, Calif., with more than \$15 billion of capital under management. Canyon’s real estate activities focus on providing debt and equity capital to real estate owners, operators, developers, corporations and entrepreneurs, enabling them to participate in transactions that would have traditionally eluded them due to capital constraints. The CCRA team has completed over 226 real estate and mortgage transactions totaling more than \$3.6 billion of invested capital, including the origination of senior, mezzanine and bridge loans, note acquisitions, recapitalization of partnerships, and the acquisition of over 12 million square feet of real estate. These investments encompass a diverse mix of real estate property types including retail, entertainment, multi-family, industrial, office, hospitality, land, mobile home and mixed-use and mortgage loans secured by such property types.

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