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CANYON SELECTS CB RICHARD ELLIS TO MARKET HISTORIC CAL NEVA PROPERTY IN LAKE TAHOE

LAKE TAHOE, CA (July 30, 2009)—Based on significant investor interest in the Cal Neva Resort, Spa and Casino in Lake Tahoe, Canyon Capital Realty Advisors (“Canyon”) has hired CB Richard Ellis’s Global Gaming Group and Hotel Group to market and sell the iconic and historic property.

Canyon, which became owner of the property through a foreclosure in April of this year, has seen a significant turnaround in Cal Neva’s business operations as well as considerable interest from the hospitality and gaming investment communities throughout the United States.

“We said from day one that we would keep Cal Neva open for business, make long overdue management improvements to the property and assess its future,” said Canyon executive Richard Bosworth. “That’s exactly what we’ve done. Cal Neva is a great asset with a very bright future, and we think the time is right to market the property to interested buyers.”

Over the past three months, the Canyon team has fielded more than 150 unsolicited calls from potential investors across the country, all of whom have expressed interest in acquiring the Cal Neva asset. These include major hotel, gaming and entertainment companies who see the value in this irreplaceable asset. Cal Neva is located in one of the most beautiful settings in the West, and there is extraordinary upside potential for the 13.6 acre, 219 room hotel and casino situated on Lake Tahoe’s North Shore.

Originally built in 1926, Cal Neva was owned by Frank Sinatra in the early 1960s, and flourished as a popular destination for the Hollywood and political elite. The resort includes 219 rooms and cottages, restaurants, a spa and open space featuring panoramic views of Lake Tahoe. The property also features a 350-seat show room, 16,000 sf of meeting space, a lounge and a 5,365 sf casino. The property has a valuable, non-restricted gaming license that will enable the new owner to more than double the size of the existing casino.

“Canyon’s successful efforts to stabilize Cal Neva in such a short period of time validate the company’s vision of the property as well as the resort’s upside potential,” said CB Richard Ellis Executive Vice President John Knott. Knott’s team recently released an initial brochure to kick-off the sale period, with a full Investment Memorandum to follow. “Cal Neva is a key asset in Lake Tahoe, a market with particularly high barriers to entry. This property presents investors the opportunity to brand and reposition an irreplaceable asset.”

Since taking ownership of Cal Neva, Canyon has undertaken several steps to stabilize the business operations. Immediately, Canyon hired NHH Hotels and Resorts, one of the nation’s leading hospitality management firms, to oversee the hotel and related operations.

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Cal Neva / 2-2-2

NHH's efforts have boosted occupancy levels at the hotel, and stimulated event activity at the resort throughout the remainder of 2009 including weddings and corporate meetings. As an example, last month room reservations through Expedia.com increased 650 percent over the last year, due in large part to NHH's marketing efforts. Activity in the hotel's entertainment showroom has also increased significantly.

"The success we've seen in such a short period of time has a lot to do with the sound management, as well as the resort's beautiful setting and close proximity to drive-in markets" said Bosworth. Cal Neva is located on the border of California and Nevada on the north shore of Lake Tahoe, and is just a 45-minute drive from the Reno-Tahoe International Airport and a two hour drive from Sacramento.

All inquiries related to the sale of the property should be directed to:

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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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