

Newco Questions

1) What is the name of the new company?

C-III Capital Partners

Centerline Servicing LLC will be a wholly owned subsidiary; CSI's name will be changed when a branding campaign is launched.

2) What is the company structure?

Centerline Servicing LLC (CSI) will be owned by a newly formed private company presently called C-III Capital Partners. This company will own all of the CMBS fund managing members, all of the balance sheet CMBS, and the special servicer. It will also be the exclusive special servicer to all of the Island Capital CMBS funds.

Separately, Centerline Holdings will continue to operate as an independent public company focusing on its core businesses. These will include Low Income Housing Tax Credit origination, affordable housing asset management and agency lending.

Both of these two companies will be externally advised by Anubis Advisors, a wholly owned subsidiary of Island Capital. The advisor will provide strategic, financial, capital, mergers and acquisition and fund origination advice and assistance to the two companies.

3) Will Andrew et al be visible in Irving?

Island Capital staff will routinely visit the Irving office. Routine visits will occur by George Carleton, Paul Hughson, Bill Jarrard and Brenda Mixson. There will be visits, at least quarterly, by Andrew Farkas, Jeff Cohen and Jim Aston.

4) Will I get new business cards?

Yes; as soon as the name change and branding campaign commence.

5) When will an industry press release be out?

A press announcement will be issued immediately after closing.

6) Who will be involved in approving business plans/actions on a day to day basis?

Existing Policy will stay in place for the short term. It is understood that Paul Smyth and CSI management team are updating the policy and will coordinate with Anubis C-III Advisor.

7) Who are the investors in NEWCO?

Andrew & Island have been investing with the same group of investors for many years. They include small institutions and high net worth family offices. Many of the investors are the same group who originally backed Insignia.

8) Do our benefits---insurance, 401K, vacation time stay the same?

Yes; no changes to take place during the current benefits cycle.

9) How will the NY and South Carolina offices interface with us on a day to day basis via acct and paying bills?

Still being sorted out; intend on the least amount of inconvenience while maintaining required internal controls

10) Is Newco's financial condition secure/solid?

Yes; C-III Capital Partners is well capitalized with over \$100 million of new cash equity.

11) Are we going to stay in our current location?

Yes; CSI signed a sub-lease for the existing space expiring in 2017.

12) What does the org chart for the Servicing Company look like--who will Smyth report to?

Paul will report to the Anubis C-III Advisor, which is an entity controlled by Island Capital. Anubis C-III Advisor is essentially run by the senior management of Island Capital.

13) Will we be adding more staff to deal with increased volumes of new business and ss transfers?

Yes; staffing will adjust to meet serviced portfolio requirements. Island will work closely with management to meet this requirement.

14) Will my job responsibilities change?

Paul Smyth and CSI management team will continue to determine position responsibilities.

15) Will there be new opportunities as we expand the real estate platform?

Yes; we expect to grow the platform by acquiring special servicing controlling positions, contracting additional primary servicing assignments and expand the CDO collateral management assignments. Further, C-III Capital Partners will be an active sponsor/investor in REO and Real Estate Debt funds. Other possibilities would include acquiring or building the property management business and REO sales and leasing.

16) Will there be raises and/or a 2009 bonus?

2009 bonuses have been recommended by CSI management and approved by Anubis. These will be paid shortly after closing. CSI management is reviewing salary adjustments for the various business lines and will recommend adjustment to Anubis C-III Advisor.

17) What is future comp plan?

The compensation plan is being developed to retain and attract talent at all levels of CSI. Paul Smyth and senior management will be the primary architects of the plan, but we are great believers in top compensation plans for top people turning out top performance.

18) Are there any changes in the programs or technology we will use?

Initially, existing systems and software will be migrated to new servers in Dallas. IT, software and subscriptions will continually be assessed for capacity, effectiveness, improved delivery of data and cost efficiency.

19) Can we maintain our current casual dress code in Dallas?

CSI management team will make these decisions.

20) How will we interact with remaining Centerline/businesses?

While Island's entities own 95% of C-III and about 40% of Centerline Holdings, and both companies are advised by Anubis entities, they are now separate and distinct. Anubis believes that there are many synergies that exist between the businesses, especially in areas such as agency lending. As a result, Anubis will encourage an active commercial relationship between Centerline and C-III. That said, all business arrangements will be on an arms-length basis and subject to a high-level of scrutiny. As they are now separate, each has its own set of proprietary relationships and priorities so formal lines of communication and conflict resolution mechanics will be created and implemented. All of this will be developed in the coming months.