

Resource Capital Corp. Announces Preferred Investment in Commercial Finance Company

PHILADELPHIA, PA, Jan 06, 2011 (MARKETWIRE via COMTEX) --

Resource Capital Corp. (NYSE: RSO) ("RCC") announced today the expansion of its investment in leasing and loan assets through the closing of a preferred investment into LEAF Commercial Capital, Inc. ("LCC"), a commercial finance company specializing in equipment leasing. This investment will provide RSO with a 10% preferred return and an equity stake in the platform.

LCC is a joint venture among RSO, Guggenheim Securities, LLC ("Guggenheim") and LEAF Financial Corporation ("LEAF"), the commercial finance subsidiary of Resource America, Inc. (NASDAQ: REXI). RSO's new investment of \$15.2 million will be used to grow the servicing and origination platform of LCC, a subsidiary of LEAF. In addition to the new investment, RSO contributed to the joint venture \$21.1 million of equity invested in existing leasing assets. In exchange for its investment, RSO received (i) \$36.3 million of senior preferred stock with a coupon of 10% and (ii) warrants to purchase 48% of the fully diluted common equity of LCC. Guggenheim has provided LCC with a new financing facility of up to \$192 million in revolving senior debt to fund new originations. Guggenheim will continue to arrange Asset Backed Securitizations for LEAF and LCC as it did during 2010. Since May 2010, LEAF -- with the assistance of Guggenheim -- has issued over \$600 million of asset backed notes.

Jonathan Cohen, CEO of RSO, said, "We see tremendous opportunity for the small-ticket leasing business in today's economic environment. A dearth of competition in the sector is resulting in very attractive spreads over the cost of funds, which remain low with the re-emergence of the securitization market for this asset class. The structure of the investment puts us in a senior equity position in a company with strong partners and a management team that has a proven track record in the sector, and we believe the warrant coverage provides an excellent means of building book value for our shareholders. We believe that investments like this do not come up frequently and allow our shareholders to participate in both a regular stream of income and substantial upside potential."

Resource Capital Corp. is a commercial real estate specialty finance company that qualifies as a real estate investment trust, or REIT, for federal income tax purposes. RCC's investment strategy focuses on commercial real estate-related assets and, to a lesser extent, higher-yielding commercial finance assets. RCC invests in the following asset classes: commercial real estate-related assets such as whole loans, A-notes, B-notes, mezzanine loans, mortgage-related securities and real estate joint ventures, and commercial finance assets such as other asset-backed securities, senior secured corporate loans, lease receivables, trust preferred securities, structured

notes and debt tranches of collateralized debt obligations.

RCC is externally managed by Resource Capital Manager, Inc., an indirect wholly owned subsidiary of Resource America, Inc. (NASDAQ: REXI), a specialized asset management company that uses industry specific expertise to generate and administer investment opportunities for its own account and for outside investors in the real estate, commercial finance and financial fund management sectors.

For more information, please visit the Resource Capital Corp. website at www.resourcecapitalcorp.com or contact investor relations at pkamdar@resourceamerica.com.

This press release includes statements that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control. Factors that can affect future results are discussed in the documents filed by Resource Capital Corp. from time to time with the Securities and Exchange Commission. Resource Capital Corp. undertakes no obligation to update or revise any forward-looking statement to reflect new or changing information or events.

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