

Resource Capital Corp. Updates Recent Activity and 2012 FFO and Dividend Outlook

NEW YORK, NY, Feb 15, 2012 (MARKETWIRE via COMTEX) --Resource Capital Corp. (NYSE: RSO) (the "Company") today provided an update on some of its recent activities and provided Funds from Operation ("FFO") and dividend guidance for 2012:

- **CRE Originations.** During the quarter ended December 31, 2011, the Company originated two new commercial real estate ("CRE") loans totaling \$34.5 million at a weighted average rate of 7.9%, including origination fees and exit fees.
- **CMBS Purchases.** Since the quarter ended September 30, 2011, the Company has purchased AAA-rated CMBS positions totaling \$28.9 million with expected leveraged return on equity of 16.8%.
- **Mezzanine Loan Repayment.** In December 2011, a \$10.0 million mezzanine loan position was repaid in full and the Company additionally received an exit fee of \$1.5 million. The loan had been held in the Company's 2006 Commercial Real Estate CDO and the proceeds were used to repay the principal of bonds issued by that CDO. The Company received \$3.1 million of such principal payments as a result of its prior purchase of such bonds at a discount.
- **Sale of Joint Venture Property.** In November 2011, a joint venture between the Company and an institutional partner sold a real estate investment that resulted in cash proceeds to the Company of \$2.4 million, representing a \$1.0 million gain on the investment. The Joint Venture acquired the investment as a purchase of a distressed asset in April 2010, and the Company's gross return on investment on this asset was 71% over a 19 month holding period.
- **Pipeline.** The Company's pipeline of real estate investments is strong and it expects to make increased investments in whole loans, CMBS and distressed real estate assets during 2012. Currently, the Company has an ongoing pipeline of new CRE loan opportunities (in various stages of evaluation, underwriting and/or closing) of over 30 new whole loans representing over \$500 million of potential investments. In addition it expects to purchase approximately \$5 million of CMBS per month, on average. Distressed asset purchases are reviewed regularly and the Company expects to make purchases of such assets through joint ventures from time to time.
- **Guidance.** The Company currently expects FFO to range between \$.80 and \$.90 per diluted common share and the Company expects to distribute at least \$.80 as dividends in 2012. The projected decrease in FFO reflects some recent investments by the Company that have lower current yield but more prospective long-term appreciation, and a resulting shift toward building book value.

This press release includes statements that 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. These risks, uncertainties and other factors are discussed in the reports filed by The Company from time to time with the Securities and Exchange Commission. The foregoing projections reflect management's view of current and future market conditions. There can be no assurance that the Company's actual results will not differ materially from the estimates set forth above. The Company assumes no, and hereby disclaims any obligation to update any of the foregoing projections as a result of new information or new or future developments, except as may be required by applicable law.

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. Resource Capital Corp.'s investment strategy focuses on commercial real estate-related assets and, to a lesser extent, higher-yielding commercial finance assets. The Company invests in the following asset classes: commercial real estate-related assets such as whole loans, A-notes, B-notes, mezzanine loans and commercial mortgage-related securities and investments in real estate joint ventures as well as commercial finance assets such as bank loans, lease receivables, other asset backed securities, trust preferred securities, and debt tranches of collateralized debt obligations, structured note investments and private equity investments principally issued by financial institutions.

The Company 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.

Contact:
Resource Capital Corp.
www.resourcecapitalcorp.com
Email Contact

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