



# *News Release*

**For information contact:**

Sherry Magee  
Senior Vice President Communications  
CNL Financial Group  
407-650-1223

Lauren Bowes  
CNL Commercial Real Estate  
Findsome Winmore  
407-314-6112

**CNL FINANCIAL GROUP ANNOUNCES MANAGEMENT-LED BUYOUT OF  
CNL COMMERCIAL REAL ESTATE**

*-- Commercial real estate company partners with new investor to create independent company. --*

(ORLANDO, Fla.) Sept. 29, 2015 — CNL Financial Group, a leading alternative investment management firm, has agreed to a management-led buyout of CNL Commercial Real Estate by the real estate firm’s partners and its new joint-venture investment partner, HQ Capital Real Estate L.P., the real estate affiliate of HQ Capital, a leading provider of alternative investments in real estate and private equity.

This strategic decision is beneficial to both CNL Financial Group and CNL Commercial Real Estate. The separation allows CNL Financial Group to focus more intensely on its alternative investment platform, and allows CNL Commercial Real Estate the opportunity to take advantage of its ongoing momentum as it expands its corporate services, leasing and management platform across the Southeast. Additionally, CNL Commercial Real Estate plans to capitalize its investment pipeline.

“CNL Financial Group has a strong track record of incubating, growing and launching companies into the marketplace,” said Thomas K. Sittema, CEO of CNL Financial Group. “I know the business will thrive under the continued leadership of its partners, and we are excited for the opportunities that lie ahead of them. We are proud to now count CNL Commercial Real Estate among our distinguished list of heritage companies.”

CNL Commercial Real Estate was launched in 2007 under the leadership of 12 real estate veterans who previously led Trammell Crow Company’s North Florida operations. Since then, CNL Commercial Real Estate has grown to more than 200 associates across eight offices in the Southeast, with a national

corporate services business and a leasing and management portfolio of 21 million square feet. Additionally, CNL Commercial Real Estate has built a highly integrated investment platform, which intends to capitalize acquisition and development funds.

Under the new organization, Paul Ellis will serve as CEO of CNL Commercial Real Estate. Pryse Elam will serve as president of the development and investment platform, and Ken Loeber will serve as president of real estate services.

The company will begin operating under a new name later this year. The company will continue to manage CNL Tower I and Tower II at CNL Center at City Commons in downtown Orlando.

“We are grateful for the opportunity given to us by CNL over the past eight years. It was a unique time to start a platform of this nature, and our success thus far is a testament to CNL’s core values and our long-term partnership. CNL will remain an important partner of our firm,” Ellis said. “We are also excited about joining with HQ Capital. Its investment will provide our platform expanded access to capital and allow us to grow our services business and continue building a company that is needed in our space. We believe that there remains an opportunity to build an enduring company that focuses on our client’s needs as our own, partners with the best talent in the market to grow meaningful relationships and impact the communities within and around the projects we service, acquire and build.”

HQ Capital’s real estate team, formerly operating as Real Estate Capital Partners LP, has specialized in investing in U.S. real estate since 1989. HQ Capital will invest in and alongside the new real estate company to take advantage of its evolving development and investment pipeline and strategic opportunities in the market.

“HQ Capital is thrilled to be joining forces with the CNL Commercial Real Estate team,” said Paul Doocy, head of real estate for HQ Capital. “The joint venture will provide the new company the capital it needs to continue the growth trajectory of CNL Commercial Real Estate, as well as bolster HQ Capital’s ability to provide excellent service to our investors.”

#### **About CNL Financial Group**

CNL Financial Group (CNL) is a leading private investment management firm providing global real estate and alternative investments. Since inception in 1973, CNL and/or its affiliates have formed or acquired companies with more than \$33 billion in assets. CNL is headquartered in Orlando, Florida. For more information, visit [CNL.com](http://CNL.com).

#### **About CNL Commercial Real Estate**

CNL Commercial Real Estate offers a full range of commercial real estate services, including leasing and management, tenant representation, project management, facilities management and brokerage services, as well as a development and investment platform. It operates in all sectors of commercial real estate, including office, retail, industrial and multifamily. For more information, visit [cnlcre.com](http://cnlcre.com).

#### **About HQ Capital**

HQ Capital is a leading independent alternative investment manager with currently more than US\$12 billion in assets under management in private equity and real estate. Since 1989, the company has invested over \$12 billion in U.S. real estate ranging from core and value-add acquisitions to opportunistic

joint-venture developments. HQ Capital has more than 130 employees in Frankfurt, New York, San Francisco, Seattle, Dallas, Washington D.C., London, Hong Kong and Shanghai. For more information, visit [hqcapital.com](http://hqcapital.com).

###