



Kondaur Capital Corporation Receives \$177.5 Million in Financing from a Large New York-Based Investment Firm

November 12, 2008 – Kondaur Capital Corporation (“Kondaur”), a company focused on the acquisition of distressed and undervalued residential mortgage loans, has raised \$50 million in second round financing from a large New York-based investment firm. In addition to the \$50 million investment into Kondaur, the firm has committed another \$127.5 million for Kondaur to manage in a separate account over the next three years. JAM Equity Partners, LLC and its affiliates (“JAM”), which provided the startup funding for Kondaur, has converted its equity position into a newly issued preferred stock. Proceeds from the financing will be used to further build out the company’s platform, acquire loans and loan pools from third parties and for general working capital needs.

“We are pleased to partner with a large sponsor who has clearly recognized the tremendous opportunity created by the current mortgage market environment.” said Jon Daurio, co-founder and CEO of Kondaur. “Their investment further validates our business model and enables us to bid on larger pools of distressed loans together.”

JAM Partner, Mike Sekits, said, “This transaction provides the necessary resources for Kondaur to be a significant purchaser of distressed mortgages. Kondaur’s focus on building an exceptional platform of Combat Loss Mitigators™ to resolve troubled loans is incredibly valuable as the levels of distress in the mortgage market continue. Our strategy of accelerating the development of a company, providing institutional sponsorship and bringing in follow on capital from a high quality sponsor is one that JAM is replicating in other asset classes including commercial real estate and consumer debt.”

About JAM

JAM Equity Partners is an affiliate of Jacobs Asset Management, an established, highly successful money manager with approximately \$375 million under management. JAM Equity Partners was founded by Sy Jacobs, Bill Roy and Mike Sekits to make and manage long term, high return investments into financial services businesses. JAM Equity Partners is the general partner of JAM Special Opportunities Fund I & II (“JSOF I & II”), private equity funds dedicated to investing in financial services. JSOF I closed on \$45.5 million of committed capital in May 2006. JSOF II had an initial closing of \$29 million in November 2008, with a second closing expected in February 2009.

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