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**TORREON CAPITAL MAKES \$7.5 MILLION PREFERRED EQUITY
INVESTMENT IN RALEIGH DEVELOPMENT**

Austin TX –November 3, 2004...Austin Texas-based Torreon Capital recently announced that it has executed a \$7.5 million preferred equity investment with Raleigh North Carolina-based Kane Realty for the ground-up redevelopment of the former North Hills Mall in Raleigh. The enclosed mall is being transformed into an open air, mixed-use project with two phases totaling 700,000 s.f. Phase I tenants include JC Penney, Target, Gold's Gym Athletic Club, Storehouse and Marquee Cinemas.

Austin, Texas-based Torreon Capital provides joint venture equity and mezzanine capital for new construction, repositioning and value added acquisitions in retail, office, industrial and multi-family properties nationwide.

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