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RED OAK CAPITAL FUND POSTS RECORD 12.20% RETURN IN FIRST QUARTER

Niche Commercial Real Estate Debt Fund Finds Strength in Small Note Sector

NEW YORK, NY – Red Oak Capital Group (RED OAK) out-performed expectations, and announced a record first-quarter distribution of 12.20% to investors earlier today on its Red Oak Capital Fund I. This comes directly on the heels of a strong 2016 year-end performance of 11.90%.

“There is a lot of strength and support in the smaller commercial note space right now,” said Chip Cummings, Managing Partner with Red Oak. “and we just happen to be in a good position to capitalize on it for our investors.”

Red Oak Capital Fund I was created to take advantage of short-term gaps in the traditional commercial finance markets, and specializes in the acquisition of smaller commercial real estate debt instruments. Larger Funds and traditional lenders have focused more on larger transactions with longer terms, and have not been as flexible to Borrowers and the market demands.



Chip Cummings, Managing Partner

“There are a lot of quality deals that are being overlooked simply because of size or minimum terms” explained Cummings. “With our 20+ years of lending and development experience, we can look at these transactions with a more common-sense approach, and provide an attractive short-term funding solution that provides strong returns and minimized risk for our investors.”

Consistent with its other sector Funds, the Red Oak Capital Fund I does not own real estate, but rather holds performing debt notes which are collateralized by income producing commercial real estate assets. The average hold term on its assets is only 12 months, allowing faster reaction to changing market conditions.

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“Investors continue to search for yield, but they also want security and liquidity” explains Kevin Kennedy, a Senior Partner at Red Oak, “The shorter term hold and managed risk has been extremely attractive to both our individual investors and our institutional partners.”

Kennedy, as the head of capital acquisition, works directly with Red Oak’s institutional investment partners, RIA’s and broker/dealer partners.

Adds Kennedy, “Savvy investors understand the importance of having a strong Alternative Investment choice as part of their portfolio, and the benefits of these types of assets over a traditional REIT. We’ve been able to demonstrate that strength with solid returns once again to our investor partners.”



*Kevin Kennedy
Senior Partner*

Red Oak Capital Fund I focuses on small short-term debt instruments secured by commercial real estate assets located in major markets throughout the United States. It targets a net return of 10-12%, and is currently open to new investors.

About Red Oak Capital Group

The Red Oak Capital Group is a private equity firm specializing in commercial real estate investments, and manages several Funds, including Red Oak Capital Fund I. With offices in New York and Michigan, Red Oak Capital Group was founded in 2015 to serve the capital finance and investment markets, and the principals, directors and advisory team have vast experience in the development, management, financing and syndication of commercial real estate. Additional information may be obtained directly from Red Oak by visiting www.RedOakCapitalGroup.com, or by calling (212) 457-4004.

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