



FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

AT CV HOLDINGS, INC:

Rick Koenigsberger or Ken Witkin
rkoenigsberger@cvhldgs.com or kwitkin@cvhldgs.com

Press Release

CV Holdings, Inc. announces retirement of Mandatorily Redeemable Preferred Stock, perpetual Preferred Stock and changes in directors and personnel.

Newport Beach, CA, PRNewswire/ CV Holdings, Inc. (Other OTC: CVHL) (the “Company”) reported that it has retired the entire outstanding amount of its Mandatorily Redeemable Senior Preferred Stock held by an institutional investor related to its non-performing loan (NPL) business. The Company paid a total of \$1,779,746, consisting of \$1,675,000 of principal and \$104,746 of accrued interest.

The Company also retired (at a discount) the entire outstanding amount of its perpetual Series A Preferred Stock, issued at the time of its acquisition of ClearVue Management (“ClearVue”), in a negotiated transaction with the previous stockholders of ClearVue, as part of a corporate governance realignment, as further described below. The Company entered a contract to pay a total amount of \$1,500,000, plus a contingent payment of up to \$300,000 based on achieving certain performance criteria, to retire the remaining outstanding shares of Series A Preferred Stock with an aggregate par value of \$3,808,573, including accrued dividends. An initial payment of \$375,000 was made on May 5, 2017 with the remaining payment of \$1,125,000 due by December 31, 2018. As part of this transaction, and consistent with the Company’s business plan to focus on its growth strategy in various new finance businesses, the Company realigned its board of directors to include only the current Co-CEOs and the representative from Tricadia Capital Management (“Tricadia”). Prior directors were related exclusively to the Company’s NPL business unit and will continue to head such business unit, but no longer will be members of the Company’s board effective as of May 5, 2017. This corporate governance realignment ensures consistency and focus for all heads of the Company’s various business units, while keeping senior and investor representation unchanged at the board of directors’ level.

The Company also announced that effective, June 8, 2017, Jonathan Harmer, the Company’s current CFO will leave the Company in pursuit of other opportunities. The Company will promote two of its senior finance professionals, John De Mata and Bill Wang, to the roles of Senior Vice President - Chief Accounting Officer and Senior Vice President - Finance, respectively, to perform the CFO duties and does not currently intend to designate a formal replacement to fill such vacancy.

About CV Holdings, Inc.

CV Holdings is a specialty finance company with ownership in finance platforms across multiple businesses, including residential non-performing loans, venture leasing, small-ticket equipment financing and commercial real estate bridge lending.

Our common stock is currently quoted on the OTC Markets Group, or OTC Markets. While not a requirement, the OTC Markets encourages companies having their securities quoted thereon to provide adequate current information in accordance with its disclosure guidelines. We will evaluate the need to issue press releases containing information similar to the information disclosed herein. We do not undertake any obligation nor do we give any assurance that we will provide timely periodic disclosures or any public disclosure at all.

We elected to qualify as a real estate investment trust, or REIT, for U.S. federal income tax purposes commencing with the taxable year ended December 31, 2005.

As a REIT, we generally will not be subject to U.S. federal income tax on that portion of our income that we distribute to our stockholders for so long as we continue to qualify as a REIT, which qualification require, among other things, that we distribute at least 90% of our annual “REIT taxable income” to our stockholders, after taking effect of any benefits provided by our net operating loss carry forward. As a result of the non-real estate finance businesses, the Company recognizes it will generate income that over time will cause the Company to cease to qualify as a REIT. The Company expects to become subject to taxation as a C-Corp in the near future and could cease to qualify as a REIT as early as 2017. We conduct our operations so as to not be or become regulated as an investment company under the Investment Company Act of 1940. The Company has not had federal taxable income since 2007 and does not expect any federal taxable income in the foreseeable future.

Forward-Looking Information and Other Information

This press release contains forward-looking statements based upon the Company’s beliefs, assumptions and expectations of its future performance, taking into account all information currently available. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to the Company or are within its control. If a change occurs, the Company’s business, financial condition, liquidity and results of operations may vary materially from those expressed in its forward-looking statements.

The factors that could cause actual results to vary from the Company’s forward-looking statements include: the U.S. general economy; the Company’s liquidity and ability to continue to cover its operating cash requirements; the Company’s ability to redeem the outstanding shares of its preferred stock when and as its obligations to do so mature; the ability to grow its new business units; the Company’s ability to raise and deploy capital in support of its current operations; the Company’s future operating results; its business operations and prospects; availability, terms and deployment of short-term and long-term capital; availability of qualified

employees; changes in interest rates; adverse development in the debt securities, credit and capital markets, adverse developments in the commercial finance and real estate markets; adverse developments in the venture capital business, adverse development in the leasing business, performance and financial condition of borrowers, lessees and corporate customers; any future litigation that may arise; the ultimate resolution of the Company's numerous defaulted loans; the performance of the Company's joint venture investments; the ability to continue to qualify as a REIT; and the ability to continue as a going concern. The Company undertakes no obligation to publicly update or revise any of the forward-looking statements.