NORTHWEST TRIBUNE™

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LOCAL LEADING BRANDS

Anticipate many useful hours spent in front of a simple family dock, swimming with challenging bass, or the quiet serenity of a lake.

TOP HOTEL LENDERS
(PROJECTED 2014 ORIGINATIONS)

LENDER	FULL-YEAR PROJECTIONS	DETAILS
Morgan Stanley	$2B	Funded $800M YTD; $10M to $75M loans for high-quality assets with strong flags; 70% leverage; 10%+ debt yield
Goldman Sachs	$1.5B	Funded $750M YTD; all hotel types
Cornerstone Real Estate Advisers	$500M-$600M	Funded around $200M YTD; high-quality full-service hotels and select-service portfolios; top 30 markets
CIBC	$400M	Fixed-rate CMBS loans
Prime Finance	$400M	Funded $140M YTD; all hotels and markets
Mesa West	$300M+	Funded around $100M YTD; value-add and transitional hotels with projected NOI increases in major and suburban markets
Pacific Life	$300M	Funded $185M YTD; $50M+ loans for full-service hotels with prominent brands; primary city center locations
Access Point Financial	$300M	Bridge for acquisitions, refis, DPOs, note purchases, CapEx loans; up to 80% LTC; franchised and upscale independent properties
Canyon Capital Realty Advisors	$250M+	$15M+ loans for upper-upscale hotels with major flags, especially transitional assets
PPM Finance	$150M-$200M	Funded $85M YTD; up to 55% LTV; any stabilized property nationwide
NXT Capital	$150M+	Rehab loans for hotels with national flags in major metros
PCCP	$150M	Funded $80M YTD; up to 75% LTV; full-service major flagged or select-service hotels in top 15 MSAs
UC Funds	$150M	Funded $50M YTD; $1M to $30M debt and equity deals for stabilized and transitional hotels in all markets with demand generators
Lowe Enterprises Investors	$150M	Funded $35M YTD; all upscale and above brands in primary and secondary CBDs
Rockbridge Capital	$125M	Funded $90M YTD; Hilton, Marriott, Hyatt, Starwood and well-located independent hotels
Thorofare Capital	$100M	Funded $20M YTD; $3M to $25M loans for 100- to 200-key hotels; up to 80% LTC

Other Hotel Lenders: **BMC Capital**, $40M-$60M; funded $17M YTD; flagged hotels nationwide; 9%+ debt yield; **Pearlmark Real Estate Partners**, $50M; quality branded institutional assets in top 10 to 15 markets; **Bank of Hawaii**, $40M-$50M; $25M YTD; 50% LTV; high-quality national flags in Hawaii; **Fidelity Bank Atlanta**, $30M; $14M YTD.

Deal Of The Week

Property Type: Mixed-use property in Fort Myers, Fla.
Loan: $1.35M Rehab
Lender: **First America Bank**
Leverage: 75% LTC
Rate: 4.5%

The two-building apartment and retail property is currently an empty shell with concrete slab floors. First America Bank was confident in the borrower's previous experience of renovating and turning around distressed p

BANKS, LENDERS & EQUITY PROVIDERS

(Supplemental to the Directory)

American Residential Properties: 1363 Shermer Road, Suite 210, Northbrook, IL 60062. David Sliwicki, VP-Mortgage Lending, (847) 239-7232. david.sliwicki@amresprop.com

DEALMAKER DATABANK

Cohen Financial-Capital Markets & Equity Practice 3 Park Plaza, Suite 1200, Irvine, CA 92614 Mark Strauss, Managing Director (866) 315-6210 mstrauss@cohenfinancial.com	Cohen finalizes debt and equity placement for a $66M apartment development in suburban Denver. A national bank supplies a 65% leveraged construction loan at Libor-plus 230 with 30% recourse. A life company provides the equity on a 95/5 JV structure.
G.S. Wilcox & Co. 365 South St., Morristown, NJ 07960 Gretchen Wilcox, President (973) 538-0008, Ext. 111 gwilcox@gswilcox.com	G.S. Wilcox secures $44.8M across multiple industrial and mixed-use loans in New Jersey. Life companies Thrivent Financial for Lutherans, Great West Financial and Advantus provide the financing.
George Elkins Mortgage Banking Company 12100 Wilshire Blvd., Suite 520, Los Angeles, CA 90025 Jeffrey Hudson, Principal (310) 979-5749 jhudson@gemb.com	George Elkins closes $19M for an office building in Fargo, N.D., with a CMBS lender. Hudson also arranges a construction loan in South Dakota for a preleased retail center from a local bank. The rate came in at 4%. LTC was 75%.
George Smith Partners 10250 Constellation Blvd., Suite 2700, Los Angeles, CA 90067 Malcolm Davies, Principal (310) 867-2905 mdavies@gspartners.com	George Smith Partners finalizes a $12.7M pre-development loan in downtown San Diego for an unentitled full city block. The developer will use the funds to entitle the site for 700 residential units and 60,000 s.f. of retail.
HFF 1125 17th St., Suite 2540, Denver, CO 80202 Eric Tupler, Senior Managing Director (303) 515-8000 etupler@hfflp.com	HFF secures $34.5M to refi Prana Apartment Homes in Lafayette, Colo., at a 4.74% fixed rate. The Fannie Mae loan was provided by M&T Realty Capital Corporation. The loan will provide five years of interest-only amortization and cash-out proceeds.
Highland Realty Capital 880 Apollo St., El Segundo, CA 90245 Mike Guterman, Principal (310) 607-9242 mike@highlandrc.com	Highland Realty arranges $19M for the 320-key Bay Point Wyndham Resort in Panama City, Fla., with a family office debt fund lender. This was an REO purchase with three week closing. The lender liked the attractive cost basis.
Johnson Capital Huntoon Hastings 1528 Wazee St., Suite 214, Denver, CO 80202 Scott Graber, SVP (720) 439-3201 scottgraber@johnsoncapital.com	Johnson Capital works on placement of construction financing for a multifamily expansion and permanent debt on temporary housing facilities in the Williston, N.D.
Johnson Capital 488 Madison Ave., Suite 1100, New York, NY 10022 Daniel Lisser, Principal/Senior Managing Director (212) 888-9261, Ext. 255 dlisser@johnsoncapital.com	Johnson Capital arranges $11.5M in CMBS financing for a non-flagged hotel in Williston, N.D. LTV was 55%. The five-year loan amortizes over a 10-year term. This is one of the only full-service hotels in the market.
NorthMarq Capital 500 Newport Center Drive, Suite 650, Newport Beach, CA 92660 Rob Hervey, EVP/Senior Managing Director (949) 717-5210 rrhervey@northmarq.com	NorthMarq closes $6.75M for a 242,405-s.f., single-tenant cold storage facility in Salt Lake City with PPM Finance. The life company liked the strong tenant, Americold, and the Class A industrial property.
NorthMarq Capital 15500 New Barn Road, Suite 207, Miami Lakes, FL 33014 Jeff Robertson, SVP/Managing Director (305) 820-6633 jrobertson@northmarq.com	NorthMarq closes $15.83M for the refi of a FedEx building in Hollywood, Fla., with a life company lender. The single-tenant industrial loan boasts a 12-year term and 25-year amortization.
Vista Capital Company 1223 Wilshire Blvd., Suite 1825, Santa Monica, CA 90403 Zak Selbert, Principal (310) 285-3803, Ext. 103 selbert@vistacapitalcompany.com	Vista works on a large hotel loan in Maryland and a smaller hospitality transaction in Indiana. Both deals are set to close soon.

LENDERS DRILL FOR DAKOTA DEALS

The booming shale, oil and natural gas markets in the Dakotas causes increased demand for real estate financing in the region. Will lenders answer the call? The main question on everyone's mind: Will these high occupancies, elevated rents and demand for real estate be sustainable for the long term? The boom will need to last at least 15 years to make it worthwhile for most construction lenders to enter the region. It's looking good as many major oil companies are on their way to set up shop and all signs point to at least a 20- to 30-year drilling run. Current hotel occupancy runs between 90% and 99% in these markets and apartment rents have skyrocketed to rival San Francisco or New York City pricing due to lack of supply. However, environmental factors could slow or stop drilling.

One of the most important aspects of underwriting in these markets will be the loan term and amortization. Lenders will want to amortize as quickly as possible to avoid debt outstanding long term. Expect shorter term construction with mini-perm loans; perm lenders will want decreased, five- to 15-year, amortization schedules. Rates will be similar to primary market deals, with a 10 to 50 basis point premium, because of the perceived risk. Most borrowers will see 4% to 6% pricing. Construction lenders will quote rates with 450 basis point spreads over Libor and 5.5% floors. Count on 1.35x DSC and 9%-plus debt yields.

Leverage will rise and longer amortization will become available once lenders get comfortable with the viability of the market. Borrowers will start to see non-recourse options and higher 65%-plus leverage versus the 50% seen the last three years. Multifamily deals will jump to 70%. Construction loans will see 50% to 60% LTCs, which could creep even higher in the next few years.

Conduits such as **Starwood Mortgage Capital, CCRE, Prudential, Deutsche Bank, Ladder Capital**