

Vol. 41, No. 7

April 13, 2015

TOP BRIDGE LENDERS
(2015 PROJECTED ORIGINATION VOLUME AND PREFERENCES)

LENDER	VOLUME	DETAILS
Madison Realty Capital	\$1B	Funded \$750M in 2014; \$5M-\$150M loans for office, retail, multifamily, industrial; recapitalizations, quick acquisition financing, high-leverage loans, deals where sponsors may not have a track record. 800/421-3483

TOP CONDO LENDERS

(2015 PROJECTED CONDO ORIGINATIONS AND PREFERENCES)

LENDER/EQUITY INVESTOR	VOLUME	DETAILS
Canyon Capital Realty Advisors	\$300M	Funded \$300M in 2014; \$15M-\$150M non-recourse construction loans; Class A projects in strong locations with experienced sponsors; up to 75% LTC; 8%+ rates with 1-2 points
Madison Realty Capital	\$300M	Funded \$200M in 2014; \$3M-\$150M loans; up to 80% LTC/60% of completed value; 8%-12% rates with 2-3 points; looks closely at location and exit strategy; major markets
Bank of the West	\$200M	Funded \$200M in 2014; \$10M-\$25M loans; townhome configured condos, entry level, first-time move up, 20-40 units; 70% loan to bulk value; developers must have at least five completed and successfully marketed projects under their belt, 10-years of experience with attached for-sale housing

CONDO LENDING INSIGHT

As the cheap cost of capital and EB-5 money draws foreign investors from South America, China, U.K. and other countries to condo deals, look for more U.S. lenders to get in on the action. LTC will reach 75% in major markets; however, the majority of loans will be 65% to 70%. Non-recourse loans will obtain 55% LTC. Borrowers will see fixed rates start around 7% and floating rates begin at 5%. Look for an increase of lenders, including **Canyon Capital Realty Advisors** and **BB&T Real Estate Funding**, to provide non-recourse financing in the coming months.

Banks such as **Wells Fargo, Deutsche Bank, HSBC, BofA, Bank of the Ozarks, M&T Bank, Banco Popular, Valley National Bank, First Republic, California Bank & Trust** and **TD Bank** will be active and allocate 60% leverage. Banks will target 10- to 50-unit projects with at least partial recourse. Borrowers will see floating rates start at 5%. Banks will seek sponsors/developers with at least five completed and successfully marketed projects and a minimum of 10 years of experience.

Borrowers could be drawn to debt funds and private lenders, in order to avoid the BASIL-3 regulations associated with banks. **Blackstone, Starwood, PCCP, Guggenheim, B2R Finance, Colony Capital** and **First Key Lending** will be active. Private lenders will provide non-recourse loans with 7%-plus rates. While many firms will highly scrutinize sponsorship, certain lenders, such as **Madison Realty Capital**, will be flexible regarding track records and look closer at the real estate. **Forman Capital** and **Avant Capital Partners** will be open to borrowers with strong stories.

BANKS, LENDERS & EQUITY PROVIDERS
(Supplemental to the Directory)

Amalgamated Bank: 275 Seventh Ave., New York, NY 10001. Brian Smalley, Director-Commercial Real Estate Lending,
(212) 895-4477. briansmalley@amalgamatedbank.com

DEALMAKER DATABANK

CBRE
 101 California St., 22nd Floor, San Francisco, CA 94111
 Jesse Weber, SVP
 (415) 772-0235
 jesse.weber@cbre.com

CBRE arranges \$37M in acquisition financing for an apartment complex in Salt Lake City with Fannie Mae. The property is well positioned in the market and offers convenient access to downtown Salt Lake.

Cohen Financial
 100 Ponce de Leon Dr., Suite 2906, Miami, FL 33131
 Kevin O'Grady, Partner/Senior Managing Director
 (866) 315-6501
 kogrady@cohenfinancial.com

Cohen secures a \$167M non-recourse construction loan with Guggenheim for Muse condo project in Miami. O'Grady also seeks a \$35M equity investor for a boutique condo development in the Edgewater district of Miami.

Colliers International
 1801 Market St., Suite 550, Philadelphia, PA 19103
 John Banas, SVP/Director-Capital Markets Director
 (215) 928-7546
 john.banas@colliers.com

Colliers arranges a \$3.9M loan for 76 multifamily units in Hartford, Conn., with a bank lender. The 12-year loan has a 3.75% rate fixed for seven years with a five-year reset.

George Smith Partners
 10250 Constellation Blvd., Suite 2700, Los Angeles, CA 90067
 Ameet Chagan, Assistant VP
 (310) 867-2926

George Smith Partners arranges a \$4.2M acquisition loan for the purchase of a limited-service hotel in California's San Joaquin Valley. The loan represented 96% of the contracted purchase price. Leverage was

indierk@ipausa.com

NorthMarq Capital
 5935 Carnegie Blvd., Suite 101, Charlotte, NC 28209
 Dave Stewart, VP/Producer
 (704) 927-4343
 dpstewart@northmarq.com

ownership

NorthMarq completes a \$2.78M loan for a 122-unit multifamily property in Spartanburg, S.C., with a Fannie Mae DUS lender. The transaction was structured with a 10-year term and 30-year amortization.

R3 Funding LLC
 560 Lexington Ave., 17th Floor, New York, NY 10022
 Ray Potter, Managing Partner
 (646) 535-4443
 ray.potter@r3-funding.com

R3 closes a \$19.8M CMBS loan with JP Morgan Chase for a portfolio of nine Tops Friendly Markets located in tertiary markets in two states. The condu liked the strong sales and long-term leases. LTV was 65%.

CMBS RAMPS UP HOTEL LENDING

Conduits will fund more hotel loans in 2015, with around \$100B in total originations expected by year's end. Hotel loan allocations will see an increase in CMBS pools; hospitality traditionally made up 10% to 20%, but may hit 25% by year's end. Expect a push toward secondary and tertiary market hotels with strong cash flows. Independent and boutique properties in markets with demand drivers, such as