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THE WEEKLY UPDATE ON REAL ESTATE FINANCE AND SECURITIZATION **ALERT**

THE GRAPEVINE

Commercial-mortgage attorney **Randy Eckers** has joined **Duval & Stachenfeld** as a partner in the New York law firm's real estate practice. He started April 25 on the roughly 50-member team, led by partner **Terri Adler**. Eckers represents commercial MBS trading desks on the acquisition and disposition of **Ginnie Mae** and **Fannie Mae** securities and mezzanine debt. He also works with originators and borrowers on both agency and private-label mortgages. Eckers came aboard from the White Plains, N.Y., office of **Greenberg Traurig**, where he was of counsel. He joined that Miami-based firm from **Thacher Proffitt** in 2008. ❖

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MAY 24, 2013

- 3 CMBS Prices Slip as Buyers Step Back
- 3 Investors Bid Up Legacy Mezz Bonds
- 4 Startup Targets Loan-Advisory Work
- 5 Loan Sought on Minneapolis Tower
- 5 Departures Don't Trouble RCO
- 6 Pearmark Seeks to Refi NY Building
- 6 Refinancing Sought for Bronx Offices
- 6 Beach Street Funds Multi-Family Deal
- 10 INITIAL PRICINGS
- 13 CALENDAR

THE GRAPEVINE

Barclays is trying to recruit large-loan originators for its CMBS group. Originators at other firms said they've received calls from the head of its large-loan group in January. Trauben joined Barclays in 2011 at **Cantor Fitzgerald**. Barclays had a large-loan effort in place before tapping Trauben to lead it, but is now making a push to increase its market share.

M&T Bank has added an originations executive to help expand its lending activity in Connecticut. **Chris Von Ancken** started about two weeks ago as vice president. Von Ancken previously worked at **Peoples United Bank** of Bridgeport, Conn. M&T is in the process of acquiring **Hudson City Bank** of Paramus, N.Y. in a deal valued at \$3.7 billion. Hudson City's presence in Connecticut will help M&T broaden its reach in the state. It's expected to open a lending outpost in the state by the end of the year.

'Pro Forma' Debate Pits Moody's vs. Fitch

The use of "pro forma" underwriting, which was partly blamed for the crash of public MBS market, is once again the source of controversy, spurring a dispute between two major rating firms.

At issue is the degree to which projected increases in occupancy rates and rents should be factored into rating decisions.

Fitch is taking a hard line. Saying that the widespread losses incurred during the downturn discredited pro-forma underwriting, the agency now counts only current rent income — that is, signed leases — when calculating cashflow levels in order to determine property values and, ultimately, subordination levels. In other words, the agency won't take into account if rents are below the market level or if the current occupancy rate is below the property's historical average. And it will discount even the current income level if warranted by other factors.

Moody's calls that approach "overly simplistic and misleading." While

See DEBATE on Page 8

Tishman, Singapore Seek \$1.2 Billion of Loans

The team of **Tishman Spayer** and **Singapore's** sovereign wealth fund is shopping for two long-term mortgages totaling a whopping \$1.2 billion.

The duo is seeking to line up \$740 million of debt on six Class-A office and mixed-use properties in New York, Chicago, San Francisco and other markets, including Franklin Center in Chicago and the office portion of CitySpire in Manhattan.

It also is talking to lenders about a \$485 million loan on the Colgate-Palmolive Building at 300 Park Avenue in Midtown Manhattan.

In both cases, the Tishman partnership is moving to refinance debt. Lenders expect the larger loan to go to an insurance company, given the high quality of the properties.

Insurers are often willing to bid up to win such assignments. Insurers and commercial MBS shops are both viewed as in the running for the Colgate-Palmolive loan.

HF is advising the Tishman team on the six property loans, while **Eastfall Secured** is handling the other assignment.

All of the properties are owned by **Prime Plus Investments**, which is controlled by **TPG**.

See TISHMAN on Page 4

John Buck Seeks Loan to Buy Chicago Tower

The prospective buyer of an office building in downtown Chicago is looking for a \$204 million loan to help finance the deal.

A partnership between Chicago fund shop **John Buck Co.** and a syndicate of South Korea investors has agreed to purchase the 1.1 million square-foot skyscraper at 161 North Clark Street, from **Tishman Spayer** for \$318 million. The group is shopping for a five-year mortgage via broker **Eastfall Secured**, and is accepting both fixed- and floating-rate proposals.

The 50-story building is 94.9% leased, according to **Costar**, with no single tenant accounting for more than 9% of the space.

The property was part of a 6 million-sq-ft Chicago office portfolio that Tishman bought from **Blackstone** for \$1.7 billion in 2007. Blackstone had picked up the six properties a few months earlier via its \$39 billion takeover of **Equity Office**.

See CHICAGO on Page 5