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Mission Capital Completes Debt Restructuring for Las Vegas Apartment Communities

Mission Capital Advisors has arranged \$36.9 million in financing on behalf of the privately held real estate investment firm **The Siegel Group** as part of a comprehensive debt restructuring the borrower recently completed on several of its Las Vegas properties.

The Siegel Group, which operates 21 flexible-stay apartment communities in Sin City known as **Siegel Suites**, engaged a team from Mission Capital's debt and equity finance group in New York led by Managing Director **Jordan Ray**. Mr. Ray and his team worked on the two assignments assisting in capitalizing and completing the last

tranche of a \$300 million debt restructuring.

In the first transaction, Mission Capital secured \$26.9 million collateralized by four Siegel Suites communities through a CMBS lender, which provided 10-year, fixed-rate, nonrecourse financing.

In the second transaction, Mission Capital tapped the Los Angeles office of an international commercial bank, which provided \$10 million in a first-mortgage loan for three Siegel Suites communities. The lender provided a 15-year term with a 30-year amortization and a 4 percent interest rate.

The debt restructuring was solely limited to the Las Vegas assets, which the borrower acquired before the downturn.

The majority of the original lending institutions had either sold the loans to third-party investors or failed and had been taken over by the **FDIC**, making the transaction that much more challenging, Mr. Ray noted.

“We were able to excel in these transactions by carefully explaining to lenders the unique no-lease-required business model of the Siegel Group, highlighting [founder and CEO] **Stephen Siegel**'s operational experience and by demonstrating that the properties had strong financial performances in both good times and bad,” he said. “This stability is especially impressive in Las Vegas, which was one of the hardest-hit markets in the country during the downturn.”