

## Insurer Pitches Senior Retail Debt

**CNO Financial** is shopping the senior portion of a performing \$19.8 million fixed-rate loan on a shopping center in Hagerstown, Md.

The insurer, based in Carmel, Ind., originated the construction/permanent loan on the 115,000-square-foot Shoppes at Hagerstown in 2007. The mortgage, with a 6.04% coupon, had an initial balance of \$22.3 million. The maturity date is unclear.

Investors can bid on a senior participation interest of up to 80%, with CNO retaining the junior portion. Bidders must specify a yield requirement. Initial offers are due Aug. 28, and final offers will be taken Sept. 18.

The property is at 18015 Garland Groh Boulevard, near Interstate 81 and Route 40, and about 70 miles west of Baltimore. CNO is offering the participation interest via its investment-management arm, **40/86 Advisors. Mission Capital** is handling the auction.

CNO unsuccessfully tried to sell the loan two years ago via an offering of 17 performing mortgages totaling \$125 million on commercial properties around the country.

Shoppes at Hagerstown was 88% occupied at yearend. Its tenants include Best Buy, Dollar Tree and Party City. The property is next to a separately owned retail center with 220,000 sf. That complex's tenants include Wal-Mart Supercenter, Home Depot, PetSmart and Dick's Sporting Goods. ❖

