

Mission Capital Offers \$41Mln Portfolio of Distressed Loans

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Commercial Real Estate Direct Staff Report

Mission Capital Advisors is offering a \$41 million portfolio of commercial mortgages and business loans on behalf of a Midwest lending institution.

The New York loan-sales specialist aims to complete a sale of the portfolio or its pieces before the end of the quarter. While it did not identify the seller, it is believed to be Fifth Third Bank, for which Mission has sold at least two other portfolios of loans totaling some \$40 million.

Mission plans to take indicative bids from investors next week. It will then invite final bidders to conduct in-depth due diligence. They will then turn in their final bids on March 21, allowing for a close before the quarter's end.

The portfolio contains 21 loans that have or have had payment issues. Many are delinquent, while others are in bankruptcy. Some are in forbearance, but many are cash-flowing.

The largest loan is a \$7.3 million mortgage on a 150,000-square-foot refrigerated warehouse in Parma, Ohio, that is vacant. The property, which was constructed only four years ago, includes some \$2 million of equipment and vehicles.

The portfolio also includes a number of loans on residential or commercial land in Ohio, Kentucky, Florida Michigan and Indiana. Among those is a mortgage on a 95-acre parcel near an interchange off I-75 in suburban Cincinnati that had been zoned for residential development, but recently was rezoned for commercial use.