



## Mission Capital Offers \$108.1Mln Mixed-Bag Loan Portfolio

*Commercial Real Estate Direct Staff Report*

Mission Capital Advisors is offering a \$108.1 million portfolio of mixed-quality commercial mortgages and residential loans on behalf of a bank client.

But instead of slicing the portfolio into a number of smaller pools, it is aiming to sell all 432 loans to one investor. Its thinking is that quite a few institutional investors have developed the capabilities needed to service and manage large pools of assets, so demand for large portfolios should be healthy.

A case in point is Capmark Bank's recent sale of a \$911 million portfolio of office, hotel and golf course properties to Deutsche Bank. That portfolio was marketed for sale through Eastdil Secured, which normally would have been divided into smaller pools. But it chose to market it as a portfolio because of the strong demand from large investors. Deutsche is said to have agreed to pay 82 cents on the dollar for the loans.

Mission Capital's offering contains 241 commercial real estate loans with a balance of \$70.6 million; 69 acquisition, development and construction loans against land parcels with a balance of \$15.4 million; 60 single-family home loans with a balance of \$12.8 million; 55 business loans with a balance of \$9.1 million; and 7 unsecured credits with a balance of \$311,947.

All of the loans are in some sort of distress. A total of 200, with a balance of \$53.8 million, are less than 30-days late, but the remainder are more delinquent. And 148 loans with a balance of \$40.4 million have matured. A total of 97 of those, with a balance of \$33.8 million, are still making their interest payments.

The loans' average size is \$250,326. And most - 281 - have balances of \$250,000 or less. Ten loans have balances of more than \$1 million each. The loans in the portfolio have a weighted average origination date of 2006, maturity of 2015 and coupon of 6.3 percent.

Mission Capital has set a June 26 deadline for indicative bids. It will then invite certain investors to conduct more thorough due diligence and plans to take final bids on July 17. It expects to close a sale by Aug. 1.

For additional details, contact Mission Capital at (212) 925-6692.

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