

\$345 Million in Distress on Offer from Mission

{ Oversight by CW Capital Asset Management kept collateral strong. }

Mission Capital Advisors is marketing a \$345 million special servicer loan sale on behalf of special servicer **CW Capital Asset Management**, *The Mortgage Observer* has learned. The assignment marks the growing market demand for distressed loans.

Will Sledge, a Mission managing director, said that, though individual bids will be considered, the pool might best be sold in large chunks, maybe even to a single institutional investor, since these have shown increased aggression of late.

"It's going to be attractive to institutional investors as well as local owner-operators who might be interested in bidding for specific assets," Mr. Sledge said. "But more to the point, the institutional investors who have been growing more aggressive and have outbid to a large degree recently the loan-to-own local players are going to come after this portfolio as well."

The dozens of assets securing the pool are diverse and spread from coast to coast. However, in the New York tristate area they include a \$12-million industrial and cold-storage facility in Brooklyn and a Melville office property saddled with an unpaid balance of \$10 million.

"The asset class spectrum is broad," Mr. Sledge told *The Mortgage Observer*. "It's pretty much everything that you'd expect to see from a special servicer—you have office, retail, multifamily, industrial, hospitality, manufac-

tured housing, self storage. And the list kind of goes on and on."

Interest, he added, has already been strong. This is due in part to collateral that is "typically very solid in comparison to other bank loan sales that are out there currently in the market," Mr. Sledge said.

Oversight of the properties

by CW Capital Asset Management has helped as well.

"You have structured documentation because these assets were originated to be sold into securitization so that documentation is fairly straightforward and clean," he said. "And you have good data because you have an active asset management process on CW's behalf, so you don't have many holes in terms of trying to fill in the blanks in terms of what's happened from the point of origination to today."

As to how, and if, the pool is broken up, Mr. Sledge said that it's too early to tell but that "price will dictate the direction."



Will Sledge