

## The 1<sup>st</sup> Commercial Real Estate Derby

### Refinancing Odds for 2015

Purse: \$12 Billion  
 Post Time: Jan. 1, 2015  
 Track Condition: Extremely Fast  
 Distance: 1 ¼ mile



Program number represents poll position.

Disclaimer: Odds are purely fictional and do not represent true odds of each loan paying off. Not all top maturing loans qualified for the race. All comments made by an old guy with a racing form and a funny hat.

### 200 PARK AVENUE 1-5

**1** Loan Balance: \$900Mln  
 Maturing Date: May 2015

Sires: LBUBS 2005-C3 (27%), LBUBS 2005-C5 (22%), LBUBS 2005-C7 (18%)

**The Skinny:** Former PanAm Building, now known as the MetLife Building in Manhattan. Strong financials (1.90x DSCR in 2014) make this a no-brainer. Property was appraised for \$1.85 billion in 2005. Several big name renewals in recent years. Ground level Grand Central pass-through makes for sure bet in the rain.

### HOUSTON GALLERIA 1-5

**2** Loan Balance: \$710Mln  
 Maturing Date: Dec. 2015

Sires: JPMCC 2006-CB14 (17%), JPMCC 2005-LDP5 (9% A-note, \$241Mln of Rakes)

**The Skinny:** Monster regional mall in Houston. Underwritten conservatively with 47.5% LTV to A-note and 67.3 LTV to whole loan. If this loan can't refinance, entire CMBS market will be licking its wounds in 2015. Current DSCR to A-note is nearly 3.0x

### KINDERCARE PORTFOLIO 1-3

**3** Loan Balance: \$571.67Mln  
 Maturing Date: Dec. 2015

Sires: GECMC 2006-C1 (11), BACM 2006-1 (9%), BACM 2005-6 (6%)

**The Skinny:** Despite mayors of some large U.S. cities pushing for free, universal pre-K, this loan should pay off without a hitch in 2015. Loan is backed by over 700 properties nationwide; strong DSCR. Most well-traveled entrant in the field.

### COLUMBIA CENTER 10-1

**4** Loan Balance: \$380Mln  
 Maturing Date: May 2015

Sires: MSC 2007-HQ12 (30% between A-note and Hope note)

**The Skinny:** Once a long shot in 2010, it now has a decent chance to refi thanks to strong Seattle office market and low rates. Original loan was split into \$300Mln A/\$80Mln Hope. DSCR remains under 1.0x as property lost Amazon.com in 2011. Its 78% occupancy gives it room to grow. Odds of payoff only for A-note.

### 731 LEXINGTON AVENUE 1-3

**5** Loan Balance: \$320Mln  
 Maturing Date: Aug. 2015

Sires: GCCFC 2005-GG5 (13%)

**The Skinny:** Retail property attached to office building on 58th Street in Manhattan. Strong market, strong location. Loves to run on the rail, first time with blinders.

### ONE COURT SQUARE - CITIBANK 3-1

**6** Loan Balance: \$315Mln  
 Maturing Date: Sept. 2015

Sires: CD 2005-CD1 (10%)

**The Skinny:** Bet Yes: New York City market, low leverage loan (62% LTV). Bet No: 100% leased to Citibank at a time when banks are looking to shrink, lease ends in 2020. Lots of new office space coming to NYC. Not a sure thing. Must include in exotics.

### BROOKDALE OFFICE PORTFOLIO 3-1

**7** Loan Balance: \$314.35Mln  
 Maturing Date: Sept. 2015

Sires: JPMCC 2005-LDP5 (11%)

**The Skinny:** 21-property office portfolio. Low DSCR (1.19x NCF) and occupancy (69%). 63% LTV to the CMBS debt, but \$76Mln in subordinate debt raises the odds. Using Lasix for first time.

**HYATT CENTER 7-1**

**8** Loan Balance: \$306.87Mln  
 Maturing Date: Nov. 2015

Sires: WBCMT 2005-C22 (9%),  
 WBCMT 2006-C23 (5%)

**The Skinny:** Don't be fooled by the 1.72x DSCR. The Chicago building's two tenants (Mayer Brown—25%, Hyatt—22%) said to be on the move. Leases do not end until 2020, but having replacement tenants in place could be key to refinancing on time. Investors hope Hyatt Center can go the distance.

**WELLS FARGO CENTER 3-1**

**9** Loan Balance: \$276Mln  
 Maturing Date: April 2015

Sires: GSMS 2005-GG4 (10%),  
 GCCFC 2005-GG5 (3%)

**The Skinny:** One of the earliest large loans coming due in 2015 with an April maturity date. Low DSCR (0.97x NCF), falling occupancy, and a large 2020 lease with Wells Fargo mean you can't necessarily take this to the bank. Bred for longer distances.

**OAK PARK MALL 1-5**

**10** Loan Balance: \$275.7Mln  
 Maturing Date: Dec. 2015

Sires: BSCMS 2005-PW10 (17%)

**The Skinny:** No brainer. Deep anchor tenant base, strong DSCR, and 99% occupancy. Born and bred in Kansas, loan has look and feel of a winner. Back up the truck.

**UNIVERSAL HOTEL PORTFOLIO 1-3**

**11** Loan Balance: \$450Mln  
 Maturing Date: July 2015

Sires: JPMCC 2005-CB12 (8%)  
 JPMCC 2005-LDP3 (9%)  
 COMM 2005-C6 (5%)  
 GECMC 2005-C3 (7%)  
 CD 2005-CD1 (2%)

**The Skinny:** Three Orlando Hotels. Big, fat 3.0x DSCR (to the senior debt) should not slow down this thoroughbred's race to the refi line.

**WOOLWORTH BUILDING 1-1**

**12** Loan Balance: \$250Mln  
 Maturing Date: June 2015

Sires: BACM 2005-3 (19%)

**The Skinny:** Lower Manhattan, city hall area office is neither Wall Street, nor Midtown. 1913 building lists GSA as top tenant with 2015 lease expiration. Should refi, but tenant roster lacks big names and several leases coming due. Mother was a retail fireplug back in the day.

**YAHOO! CENTER 1-1**

**13** Loan Balance: \$250Mln  
 Maturing Date: Oct. 2015

Sires: CD 2005-CD1 (9%)

**The Skinny:** Fat 2.6x DSCR says this is a no-brainer, but third largest tenant (Riot Gear - 15%) is leaving and Yahoo (21%) has a lease that ends in August. Fact that loan was underwritten with an LTV of 46% helps. Has very limited experience with a wet track.

**NGP RUBICON GSA POOL 12-1**

**14** Loan Balance: \$364.9Mln  
 Maturing Date: June 2015

Sires: WBCMT 2005-C20 (10%)  
 WBCMT 2005-C21 (10%)

**The Skinny:** Being long GSA leases is a little like being long tobacco companies... that is, you won't have a lot of company. DSCR is slipping (1.06x in 2014) and GSA is always a wild card. Portfolio of 14 office/industrial properties in non-core markets. How many "Lost Ark" warehouses does one government need?

For inquiries about the data analysis conducted in this research, contact [press@trepp.com](mailto:press@trepp.com) or call 212-754-1010. For more information on Trepp's CMBS products, contact [info@trepp.com](mailto:info@trepp.com).

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