Commercial Mortgage Alert

A Green Street News Title

FEBRUARY 28, 2025

2 Vornado Tees Up Big NY Retail Loan

2 JV Out for Debt on SoCal Warehouses

2 NY Film Studios Secure Debt Package

3 Trimont Preps for Huge Servicing Ops

4 Spreads Mixed Amid Steady Dealflow

5 Fannie Joins Spread-Tightening Trend

6 CBRE Inks Refi on Illinois Apartments

8 Mass. Complex Lands Agency Debt

8 Loan Eyed for LA Apartment Purchase

8 MF1 Lends on Mobile-Home Package

9 Dwight Writes Loan on Mich. Rentals

10 C-PACE Pros Opt for Delayed Draws

13 INITIAL PRICINGS

18 MARKET MONITOR

CMBS Shops Back Huge InTown Suites Refi

Starwood Capital and **Blackstone** have lined up $1.45 billion of floating-rate debt from **Deutsche Bank, Bank of America, Societe Generale, Barclays** and **Goldman Sachs** to refinance the InTown Suites hotel chain.

The collateral would comprise 195 extended-stay hotels in 22 states, including eight that operate under the Uptown Suites brand. The 24,802-room portfolio includes all but one of the properties that currently collateralize a $1.2 billion CMBS floater that Deutsche, Barclays, **Morgan Stanley** and **Wells Fargo** originated a few years ago (INTOWN 2022-STAY).

Like the existing mortgage, the one on deck would have an initial term of two years, plus three single-year extension options. The new lending syndicate, again led by Deutsche, intends to securitize the interest-only debt via a single-borrower offering that's on track to price next week (INTOWN 2025-STAY).

The borrower would use most of the loan proceeds to pay off the existing CMBS

See REFI on Page 11

Wells Preps Big Loan on DC's District Wharf

Wells Fargo is leading a roughly $1.2 billion CMBS loan on the massive District Wharf mixed-use complex in Washington, in conjunction with a planned recapitalization.

Montreal-based pension manager **PSP Investments** has opted to exercise an option to purchase a roughly 50% interest in the 3.5 million-sf property that it doesn't already own. **Eastdil Secured** is brokering the debt and the recap, which are slated to close within two months.

The financing likely would be structured as a five-year, fixed-rate mortgage, all or part of which Wells and its unidentified co-lenders would securitize via a single-borrower CMBS offering.

PSP and two Washington-based firms, **Madison Marquette** and **Hoffman & Associates,** completed District Wharf in two phases in 2017 and 2022. PSP's deal to buy out its partners' stakes values the property at $1.8 billion, pegging the projected

See WHARF on Page 6

Starbucks' Seattle HQ in Line for Large Refi

The joint venture that owns **Starbucks'** headquarters in Seattle is seeking up to $475 million of debt to refinance the property.

Local investors **Daniels Real Estate** and **Nitze-Stagen** are taking quotes on a five-year loan, pegged to a fixed or floating rate, at two proceeds levels: about $440 million and $475 million. **Newmark** is advising the duo on the financing deal.

The collateral, commonly known as the Starbucks Center, has 1.4 million sf of office and retail space, plus two garages. The 16-acre property is at 2401 Utah Avenue South, within 2 miles of downtown Seattle.

The fully occupied complex collateralizes a $425 million loan originated by **Deutsche Bank** in December 2020. Deutsche securitized the fixed-rate mortgage, which has an eight-year term but an anticipated repayment date in early 2026, in a stand-alone CMBS offering (COMM 2020-SBX).

The existing debt pays a coupon of 2.34% and opens for prepayment without a

See STARBUCKS on Page 12

THE GRAPEVINE

David Stein has joined **Newmark** as a senior managing director in its **Federal Housing Administration** group. He started last month in New York, working with executive managing director **Kelley Klobetanz,** who came aboard late last year to head FHA production and operations. Stein focuses on loan originations for market-rate and affordable multifamily properties across various capital sources. He previously spent nine-plus years at **PGIM Real Estate**, where he was an executive director, and had earlier roles at **HUD** lender **Oppenheimer Multifamily Housing & Healthcare Finance** and **Deutsche Bank.**

The buzz is that **Benefit Street Partners** had emerged as a leading bidder for **NewPoint Real Estate Capital.** The

See GRAPEVINE on Page 20

Vornado Tees Up Big NY Retail Loan

A **Vornado Realty Trust** partnership has lined up an approximately $450 million mortgage on a Midtown Manhattan retail property, including the six-story-high electronic billboard on the side of the Marriott Marquis hotel.

The five-year, fixed-rate CMBS loan from **Goldman Sachs, Bank of America** and **Bank of Montreal** would be backed by a retail condominium in the 50-story building at 1535 Broadway. In addition to the 330-foot-wide billboard, which Vornado claims to be the world's largest 4K LED sign, the collateral would include 45,000 sf of street-level retail space in Times Square.

The lenders, led by Goldman, intend to securitize all or part of the debt via a single-borrower CMBS offering that's likely to hit the market next month.

New York-based Vornado controls the property via a partnership with other institutional investors. The REIT holds a 51.5% stake in that joint venture, which also owns a 197,000-sf retail condo across the street, at 1540 Broadway, and similar properties at 640, 655, 666, 689 and 697-703 Fifth Avenue.

About 98% of the ground-level retail space at 1535 Broadway is leased to **Anita La Mamma del Gelato, Levi's, Sephora, Swatch** and **T-Mobile.** The unencumbered condo also includes the 62,000-sf Nederlander-Marquis Theatre, but it's not clear if that space would be a part of the collateral for the pending CMBS loan.

In 2012, Vornado paid $240 million to buy a 54% stake in the condo from **Host Hotels & Resorts** of Bethesda, Md. After redeveloping it, Vornado bought the remaining interest in 2018 for $442 million. The REIT's stake subsequently was reduced to the current level via the joint venture that now owns the property.

Vornado owns full or partial stakes in 56 Manhattan properties, including 2.4 million sf of street-level retail space at 49 of them and 20.1 million sf of offices at 30. ❖

JV Out for Debt on SoCal Warehouses

A joint venture is looking for a $250 million loan on a pool of industrial properties it owns in California's Inland Empire.

The collateral encompasses some 3.4 million sf in Victorville, 61 miles northeast of Downtown Los Angeles. The owners, **Covington Group** and **H.I.G. Capital,** are taking quotes for a fixed- or floating-rate financing package via **Newmark.**

The portfolio is about 85% leased to a diverse collection of tenants under agreements with a weighted average remaining lease term of nearly three years. Companies on the roster include **Boeing** and **Tesla.**

The collateral properties apparently are the same block of assets that Dallas-based Covington and H.I.G., of Miami, bought in 2021. In that transaction, the duo paid $270 million for seven buildings in Victorville. The portfolio previously had been owned by a joint venture between **Prologis** and **Stirling Development.**

The buildings are clustered around the Southern California Logistics Airport, a former **U.S. Air Force** base and training facility. In the early 1990s, the airport was converted for civilian commercial use, and a swath of industrial development popped up around it in the following years.

The largest buildings in the collateral pool — by a significant margin — are on adjacent blocks at 13133 Innovation Drive and 17182 Nevada Avenue. Each has more than 1 million sf.

Covington and H.I.G. have teamed up on other investments. They include an industrial complex closer to Los Angeles that the venture also is looking to finance, to the tune of $130 million. ❖

NY Film Studios Secure Debt Package

Wells Fargo is on track to provide the owner of three New York television- and film-studio campuses with $335 million of floating-rate debt to refinance the properties.

A joint venture between **Affinius Capital** and **Hackman Capital Partners** would use proceeds from the loan to repay debt incurred in September 2020, when it purchased the portfolio of 23 studios in Queens and the Bronx. The new debt would have a five-year term, including extension options. **Newmark** is advising on the financing.

The debt package would include a $277.5 million senior loan that Wells plans to securitize in a CMBS offering that is expected to price as early as next week (WFCM 2025-SCUP). The balance of the debt would be structured as a $57.5 million mezzanine loan.

Most of the studio space is concentrated in a building at 42-22 22nd Street in the Long Island City area of Queens near the Ed Koch Queensboro Bridge. That property, topped with an iconic neon Silvercup Studios sign that dates to the 1960s, has 13 stages. Six other studios are at another Long Island City property, at 34-02 Starr Avenue, while the remaining four are in the Bronx, at 295 Locust Avenue.

The portfolio comprises almost 250,000 sf of studio space and 205,000 sf of offices and support areas, including storage for sets, props and wardrobes. The owners characterize the properties as the largest independent film- and television-production facility in the Northeast.

Movies and TV shows including "30 Rock," "The Devil Wears Prada," "Sex and the City," "The Sopranos" and "When Harry Met Sally" have been produced at the studios.

The 13-stage property operated for decades as a large-scale commercial bakery under the Silvercup name. After the bakery closed in the 1970s, brothers **Alan Suna** and **Stuart Suna** converted it to a sound studio that opened in 1983.

The brothers sold the complexes to the Affinius-Hackman venture for $482 million. The partners financed the purchase with a $323 million loan from **Apollo Global Management** and **Deutsche Bank.**

Hackman, a real estate investment firm based in Los Angeles, specializes in studio and film properties. Affinius, based in San Antonio, was formed via the 2021 merger of **USAA Real Estate** and **Square Mile Capital Management.** ❖

Trimont Preps for Huge Servicing Ops

Trimont will begin its monumental absorption of **Wells Fargo's** master- and special-servicing businesses after the deal's scheduled closing on March 1, but executives say customers won't notice much if all goes to plan.

In what it's calling a massive lift-and-shift strategy, Atlanta-based Trimont essentially will be leaving in place the businesses' 700 staffers. Some 280 employees will remain at their Charlotte offices until the firm establishes a new location in the city, while 350 in Bengaluru and Hyderabad, India, will move to temporary quarters in the same cities.

All staffers, including another 70 that work remotely in the U.S., will continue using the same technology.

Over time, Trimont expects to update and integrate the eight tech programs that power Wells' servicing businesses with its proprietary platform, but executives say it will be a slow and deliberate process.

"The beauty of lift-and-shift is that we get to do that piece on our timetable," Trimont chief executive **Bill Sexton** said. "We are not rushing to do the integration."

Wells, **KeyBank** and **PNC's Midland Loan Services** currently take down 95% of master-servicing assignments in the CMBS market, with **Berkadia** and **NCB** claiming small shares. Trimont will be the first nonbank to enter the space as a major player, and that has raised questions in the market around the transition, potential competitive advantages and the ability of such an entity to handle times of distress.

The four agencies that rate servicers — **S&P, Fitch, Morningstar DBRS** and **KBRA** — appear to have bought into Trimont's strategy, as has **Moody's Ratings,** which provides CMBS grades. All in recent weeks confirmed that the shift to Trimont will not impact ratings of any outstanding CMBS.

The four servicer raters also agreed to provide Trimont with a master-servicer grade, though two rated the firm lower than they had Wells. Fitch, meanwhile, said it would monitor whether the smaller firm is able to raise additional capital if that becomes necessary.

Trimont will be starting with a $1.4 billion liquidity facility — $1.25 billion of it from Wells — to cover bondholder advances for which it may be on the hook. But of that, Wells already has made $1 billion of advances as master servicer.

"Given the limits of the funds available in the facility and the expectation of increased servicer advancing over the next one to two years, it is crucial that Trimont manage the facility closely and incorporate updated projections for advancing," Fitch said, adding that it had been assured by Trimont that it will receive quarterly updates on the status of the exposures.

Regardless of that cautionary language, Sexton said the rating-agency approvals amounted to a vote of confidence.

"We feel very good" about winning them, he said. "It demonstrates, I think, that we have proven to all four agencies that we have in place the ability, experience, the team and the systems to fully perform the duties."

He added that the firm views the advances it might need to make as something akin to high-yielding investments. He noted that no master servicer has ever lost money on advances, as those entities sit atop the repayment waterfall as loans are worked out. What's more, advances accrue interest at the prime rate, which currently is above what triple-A investors are paid on CMBS deals.

Under the deal, Trimont will take over $423 billion of assets that name Wells as master servicer, encompassing about 700 CMBS trusts that control 19,000 commercial real estate loans. Sexton said that after the tie-up, Trimont will be making a million fund transfers a year. There's also another $70 billion of named special-servicing assignments.

Trimont, which has been owned by **Varde Partners** since 2015, plans to parlay the Wells purchase with its own experience in the private real estate debt market to create an even larger servicing business. It remains to be seen whether Trimont's nonbank pricing advantage — stemming from its exemption from the capital charges faced by its bank competitors — will overcome any reluctance issuers might have in dealing with an entity without that backstop.

Wells long had been the perennial leader in **Commercial Mortgage Alert's** master-servicer league tables, but it slipped behind its two closest rivals from 2019 through 2023 amid pandemic-related disruptions and the Libor-to-SOFR transition. Last year, it roared back as it prepared to sell the business — a clear indication of how the three firms can control market share through the bidding process.

For its part, Wells is working to assure market players that its divestment doesn't suggest a broader pullback from the commercial real estate space. Rather, the move "is consistent with Wells Fargo's strategy of focusing on businesses that are core to our consumer and corporate clients," said **Kara McShane,** the bank's head of commercial real estate. "We remain committed to our market-leading commercial real estate business and continuing to serve our commercial real estate clients."

Market players said they expect issuers to treat Trimont as they long treated Wells, since it essentially will feel like the same company. That is what happened when **Computershare** purchased Wells' trustee business in 2021, taking on all the staffers and stepping immediately into first place among trustees and certificate administrators.

Trimont already has won at least one mandate ahead of the closing. It was appointed as master servicer in a single-borrower offering that priced on Feb. 21 (NJ 2025-WBRK).

"We expect [Trimont] to be a nimble competitor," one rival servicer said. "They have spent a lot of money for this business, and they will go out and buy all the servicing rights they can. I expect them to bid aggressively, and as a result, other servicers will have to pay more. I expect them to impact how the league tables look in the coming years." ❖

Correction

A Feb. 21 article, "Spreads Weaken on Heavy Dealflow," misidentified the issuer of a CRE CLO (BDS 2025-FL14). It was **Bridge Investment Group.** ❖

Spreads Mixed Amid Steady Dealflow

Bond spreads widened for a second consecutive week, but deals continued to flow even as many sell-siders decamped to Las Vegas for the largest annual U.S. securitization conference.

No new conduit or CRE CLO transactions were announced this week, but the parade of single-borrower deals marched on. The market picked up steam on Wednesday as pros returned to their desks and rolled out at least a half-dozen deals.

Ahead of the confab, **Barclays** and seven other loan contributors on Feb. 21 priced an $892.4 million conduit deal backed by five-year loans (BBCMS 2025-5C33). The other contributors were **Citigroup, Deutsche Bank, Starwood Mortgage, Societe Generale, Goldman Sachs, Benefit Street Partners** and **KeyBank.** The super-senior, longest-duration notes widened 3 bp from offered levels to price at 85 bp over Treasurys, while the D class, rated BBB/BBB+ by **Fitch** and **KBRA,** widened 15 bp to price at 300 bp.

Despite strong overall demand, investors were being choosier given the wide array of purchase opportunities. That resulted in mixed execution, with spreads on some deals widening while others contracted. Secondary-market spreads were also a tad wider. Both markets were impacted by the fact that so many seats were empty early in the week due to the **Structured Finance Association's** SFVegas 2025 conference, which attracted a record 10,000-plus attendees.

The new-issue market "has started to go a little bit wider," a CMBS investor said. "A couple of cracks are forming. Everyone recognizes that spreads have gotten tighter. … Things have gotten a little snug."

But another CMBS investor noted that a potentially ideal scenario could be forming. He said the sharp tightening this week in 10-year Treasury yields — of 17 bp by the Feb. 26 close — had erased any spread widening from an issuer's perspective. "A prevailing narrative seems to be developing of slowing growth, fiscal austerity, lower rates," he said. "That is really a Goldilocks scenario for CRE."

In the single-borrower market, Citi, Barclays and **Wells Fargo** on Feb. 26 priced a $740 million offering backed by a floating-rate loan to **KKR** on an industrial portfolio (KRE 2025-AIP4). The senior notes, rated triple-A by **Moody's Ratings** and **Morningstar DBRS,** widened 15 bp from offered levels to price at 130 bp over one-month SOFR, while the E class, rated Ba3, priced where it was offered at 300 bp.

On Feb. 21, Wells and **Morgan Stanley** priced a $450 million transaction backed by a floating-rate loan to **Hines** and **Ivanhoe Cambridge** on the 47-story Texas Tower in Houston (TEXAS 2025-TWR). The senior notes, rated Aaa by Moody's, tightened 20 bp from offered levels to price at 135 bp over one-month SOFR, while the Baa3-rated D class tightened 50 bp to print at 315 bp.

The same day, Deutsche and Citi priced a $360 million offering backed by a fixed-rate loan to **Brookfield** on the Willowbrook

See SPREADS on Page 12

Fannie Joins Spread-Tightening Trend

Fannie Mae last week lowered its guidance pricing spreads, following a similar move by **Freddie Mac** amid growing competition.

The moves evidently are a response to spread tightening across much of the debt market. A common theme at many of this year's top industry events has been the surplus of capital and difficulty finding sufficient deal volume.

"The overall story from all the conferences is spread compression. You're seeing it across the board," one lender said.

Fannie cut pricing guidance by 10 bp for most products. Freddie earlier this month had tightened quotes by a similar amount for its seven- and 10-year loans, lenders said.

Both agencies publish pricing grids — tables that offer spreads based on a loan's term and risk metrics — to help agency lenders manage client expectations.

To be sure, the guidance pricing isn't definitive, and the agencies often will price a particular deal more aggressively to win the business. They also update their pricing grids regularly, though the most recent reductions are larger than typical.

The agencies have been particularly aggressive in lowering spreads for longer-term loans, hoping to nudge borrowers that have gravitated to five-year loans in recent years. Lenders said the agencies are quoting spreads of just 130 bp to 150 bp for 10-year loans on properties with significant levels of affordability.

The shrinking spreads come despite little movement in agency securities. Freddie's A2 tranches on 10-year K-Deals have tightened just 5 bp since the start of the year, while Fannie's marquee 10-year product narrowed 9 bp over that period.

One market pro said Fannie has been able to cut loan pricing in the face of stable securities trading by dropping its servicing and guarantee fees — essentially accepting less money per loan in a bid to grow volume. "They obviously are trying to generate more business," he said.

In January, Fannie bought $4.6 billion of multifamily loans, and Freddie purchased $3.5 billion. Those figures are up from a year ago but still well below the run rate needed to hit the $73 billion annual volume cap each agency has.

"They're competing hard against each other right now," another agency lender said, adding that both agencies have been particularly aggressive on loans for properties with affordability. ❖

CBRE Inks Refi on Illinois Apartments

CBRE has originated a $134.6 million **Freddie Mac** mortgage to refinance a multifamily complex near Chicago.

Los Angeles-based **JRK Property Holdings** took out the debt for Residences at Arlington Heights, an 838-unit, garden-style property the company had put on the market last year as part of a portfolio offering.

Proceeds from the five-year loan, which closed on Jan. 31, evidently paid off a $92.5 million bridge loan that CBRE originated last August and then transferred to **Sabal Investment Holdings.**

JRK bought the complex in 2014 for $78 million. It financed the purchase with $65.1 million of Freddie debt and then took out second and third mortgages totaling $37.1 million in 2016 and 2017. All those loans were originated by **Walker & Dunlop** and hit initial maturities last August.

Residences at Arlington Heights was built in 1972 and has one- to three-bedroom apartments with stainless-steel appliances, walk-in closets, and balconies, decks or patios. Rents start at $1,575. Amenities include a heated pool, a bowling alley, a playground, a game room and an ice-skating rink.

The property is at 2134 South Goebbert Road in Arlington Heights, just north of Interstate 90 and 21 miles northwest of downtown Chicago. It's close to the 3,500-acre Ned Brown Forest Preserve, and is 6 miles from Chicago O'Hare International Airport. ❖

Wharf ... From Page 1

loan-to-value ratio around 67%.

The 27-acre complex, which stretches a mile along a channel of the Potomac River, includes 1 million sf of Class-A office space, 1,490 residential units, 821 hotel rooms, 300,000 sf of retail space and a music venue called the Anthem. It also has four public piers and 400 boat slips, underground parking with 2,500 spaces and 17 acres of public parks.

Overall, the property is more than 90% occupied. The office component, spread across five buildings on Maine Avenue SW, commands some of Washington's highest rents. A 2024 **JLL** report named that street as having the city's priciest offices, with asking rents 63% above the broader market. Office occupancy along Maine Avenue SW was 97.5% at the time.

The office tenants span a range of industries, including the automotive, consulting, development, legal and technology fields. Among them are **American Psychiatric Association, Capital Guidance, Cornerstone Government Affairs, Daimler North America, Lumark Technologies** and law firms **Fish & Richardson** and **Williams & Connolly.**

The residential space encompasses three apartment buildings — Incanto, the Channel and the Tides — and three condominium properties with separately owned units.

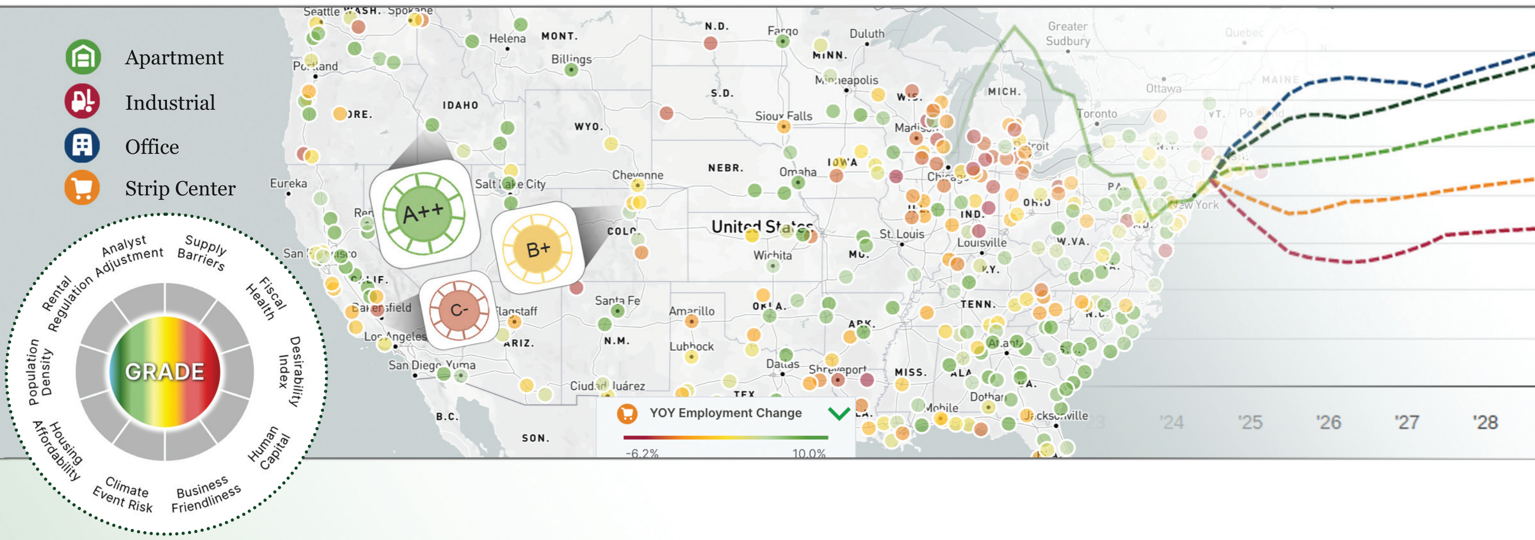
The lodging component comprises four hotels that are branded under the Canopy by Hilton, Hyatt House, InterContinental and Pendry flags. ❖

Green Street

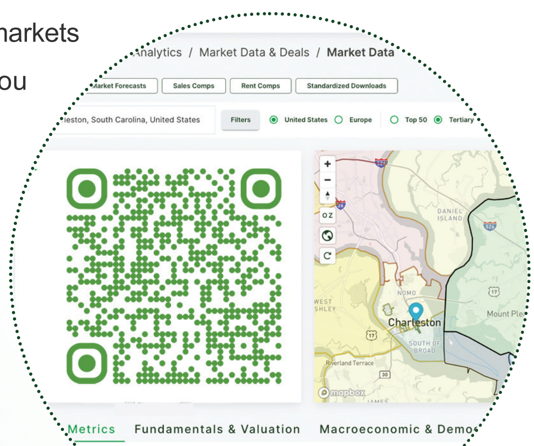
INTRODUCING TERTIARY MARKET DATA

Formulate investment strategies with trusted CRE research and data on a wider spectrum of markets than ever before, with Green Street's suite of **334** tertiary U.S. markets.

Market Data | Market Forecasts | Market Snapshots | Advanced Interactive Mapping



Green Street's actionable commercial real estate intelligence on property and valuation data now includes 334 tertiary markets across four core sectors: Apartment, Industrial, Office, and Strip Center. Access **historical, current and forecasted data for 384 total U.S. markets** (334 tertiary markets and the Top 50 MSAs) **spanning over 17,000 zip codes.** Whether you are a national investor with an appetite for tertiary market opportunities, or a regional investor wanting to explore a new property sector or market Green Street's solution can help you: **Enhance your market analysis and underwriting** with quality data & insights that are standardized across markets & sectors; **Assess market trends & opportunities** while screening potential investment risks; and **inform your strategic decision-making**, investment planning & capital allocation strategies.



Scan the QR code to:

- Download a sample report
- View list of 334 markets
- Get a personalized demo

Zip Code	State	Market Page	Market Reports	Zip Grade	Grade Rank	Supply Barriers	Fiscal Health	Desirability Index	Median Household Income	Percent w/College Degree
29464	SC			A-	430	Low	Stable	72	$111k	67%
29466	SC			A-	446	Low	Stable	66	$138k	[illegible]
29468	SC			C-	9458	Very Low	Stable	25	$31k	[illegible]
29445	SC			B	4925	Very Low	Stable	45	$87k	25%
29470	SC			B-	5413	Very Low	Stable	40	$74k	39%

Mass. Complex Lands Agency Debt

Capital One has originated a $153 million **Fannie Mae** loan to refinance part of a transit-oriented development in the Boston suburbs.

The five-year, interest-only loan closed on Jan. 24. A joint venture led by Bethesda, Md.-based **ASB Real Estate Investments** took out the fixed-rate debt to refinance 460 apartments at Station Landing, a mixed-use development next to a transit station in Medford — 4 miles north of downtown Boston.

The collateral comprises 292 units in two six-story buildings that were completed in 2006, plus 168 loft-style apartments in a separate building that was finished in 2008. The broader 16-acre development has two hotels, a 127-unit condominium tower, a 50,000-sf gym and a 1,950-car garage that serves a MTBA transit station. The complex has more than 70,000 sf of retail and restaurant space with underground parking and an elevated skyway to the transit station. Construction on the property wrapped up in 2020.

National Development of Newton Lower Falls, Mass., started the project in the early 2000s before ASB joined the ownership group. Details of their respective ownership stakes could not be learned, but National Development still owns a portion of the complex.

The joint venture evidently used the Fannie loan to pay off a $140 million loan that **PGIM Real Estate** wrote in 2018. A 162,000-sf office component of the property was sold to **James Campbell Co.** in 2014 for $30.3 million.

The apartment buildings have a fitness center with a yoga room, communal workspaces and outdoor lounges. Units have washer/dryers and plank flooring, with granite counters and cherrywood cabinets in some units. Ground-floor retail tenants include a pharmacy, a coffee shop and several restaurants. Rents for the studio to three-bedroom units start at roughly $2,700.

The six-story buildings use the addresses 50 and 55 Station Landing, and the loft-style units are at 75 Station Landing. The development is on the Mystic River, next to a public boat ramp, a park and walking paths. ❖

Loan Eyed for LA Apartment Purchase

The pending buyer of the Fifty Five Fifty multifamily building in Los Angeles is looking to arrange as much as $69 million of debt to finance the deal.

Grubb Properties has reached an agreement to purchase the 280-unit property for about $99.4 million, or $355,000/unit. It's in the market for an acquisition loan at two proceeds levels — roughly $57 million and $69 million.

Cushman & Wakefield is advising Grubb, a Charlotte-based multifamily investor, on the financing. It also is brokering the property deal for the seller, New York-based fund manager **Vanbarton Group.**

Fifty Five Fifty comprises studio to three-bedroom units with stainless-steel appliances, quartz counters, smart thermostats and washer/dryers. Rents range from $2,040 for a studio to $4,238 for the largest available two-bedroom apartment.

Amenities at the seven-story building include a pool with cabanas, a fitness center, grills, lounges and a theater.

The building was developed by **Wood Partners** of Atlanta on the site of the former **Falcon Studios** theatrical school, where "Robin Hood" star Errol Flynn took fencing lessons. That historic 1920s-era building's facade was incorporated into the new structure.

Vanbarton bought the property in October 2018 — about six months after its completion — for $148 million, or $529,000/unit.

The property is at 5550 Hollywood Boulevard, near the East Hollywood and Los Feliz sections of the city. It's a block from a Metro station that provides service to Downtown Los Angeles, 5 miles southeast. Griffith Park — home to Griffith Observatory, the Los Angeles Zoo and a sprawling trail system — is a mile north. ❖

MF1 Lends on Mobile-Home Package

MF1 wrapped up a $239 million bridge loan last week for the owner of a large portfolio of manufactured-housing communities.

The floating-rate financing has an initial term of two years, plus three one-year extension options. The collateral comprises 52 communities, totaling 5,288 residences, spread across 10 states in the Mid-Atlantic and Midwest. **JLL** advised the borrower, **Jones Estates** of Durham, N.C.

Most of the new-loan proceeds were used to pay down debt from several lenders, including a long-standing credit facility from **KeyBank.** Jones Estates assembled the portfolio via a series of purchases from mom-and-pop operators from 2018 to 2023, with plans to improve performance.

The debt, which was bifurcated into cross-collateralized tranches, had separate closings in January and on Feb. 21. The allocated loan amounts, based on the size of individual mobile-home parks, range from $2 million to $15 million.

In addition to paying off the acquisition loans and unifying the debt, the borrower plans to use some of the proceeds to continue stabilizing the portfolio. Overall, the pool has a weighted average occupancy of 85.5%, with many parks fully stabilized.

The as-is loan-to-value ratio is 68%, pegging the portfolio's value at roughly $350 million. After it is stabilized fully, the loan-to-value ratio is expected to drop to 61%.

New York-based MF1, a joint venture between **Limekiln Real Estate Investment Management** and **Berkshire Residential Investments,** has been hiring in recent months as loan demand picks up. It bounded out of the gate in January with the year's largest CRE CLO to date at $1.27 billion (MF1 2025-FL17). ❖

Dwight Writes Loan on Mich. Rentals

Pepper Pike Capital Partners obtained an $88.5 million bridge loan from **Dwight Mortgage Trust** to finance the purchase of a lakeside apartment complex in Southeast Michigan.

The 99-acre property, called Waverly on the Lake, comprises 40 buildings and 1,046 units on the north shore of Belleville Lake, in Belleville. Orange Village, Ohio-based Pepper Park, which targets value-added multifamily investments, acquired it on Feb. 18 from **DRA Advisors** of New York for an undisclosed price.

The floating-rate loan, which closed in conjunction with the sale, has an initial term of three years, plus two single-year extension options. Dwight, a commercial mortgage REIT affiliate of New York-based Dwight Capital, held back some proceeds as a future-funding commitment to cover renovations of certain units and other planned capital expenditures.

The garden-style property's three studios, 438 one-bedroom apartments and 605 two-bedroom units have walk-in closets and patios or balconies. Some also have stainless-steel appliances, granite counters and washer/dryers.

Amenities include a marine launch, 42 boat slips, lakeside picnic areas, a renovated clubhouse, a fitness center, a pool, grills, firepits, three dog parks and more than 2 miles of trails.

Formerly known as Harbour Club, the complex was built in 1972 and was renovated in 2020. It's just off Interstate 94 at 49000 Denton Road, 12 miles southeast of Ann Arbor and 25 miles southwest of downtown Detroit.

Founded in 2002 by chief executive **Paul Kiebler,** Pepper Pike focuses on acquiring, redeveloping and managing properties in the Midwest and Southeast U.S. ❖

C-PACE Pros Opt for Delayed Draws

Commercial Property Assessed Clean Energy lenders increasingly have been allowing borrowers to draw on their financing in stages.

The practice so far has taken hold mostly for loans of $100 million or more from the biggest financing shops, such as **Bayview PACE, Counterpointe Sustainable Real Estate, Nuveen Green Capital** and **Petros PACE Finance.**

The delayed-draw format resembles that of a senior construction loan. The C-PACE facilities offer less flexibility when it comes to the sizes and timing of their proceeds, however, with draws limited to predetermined amounts. Still, their use is expected to continue growing as borrowers seek C-PACE capital to fund ever-larger portions of bigger projects.

As with traditional construction financing, a big part of the appeal for delayed C-PACE disbursements is that they can minimize the interest borrowers must pay on funds they have yet to put to work. "The interest on a $300 million deal, even if the funds are unused for three months, is a big number," Petros chief executive **Mansoor Ghori** said.

Austin-based Petros so far has closed on three C-PACE financing deals with multiple disbursements and is working on several more.

In general, each slug of financing in such arrangements receives pari-passu treatment and matures on the same date. Each also capitalizes interest for a fixed period, though those accruals can be smaller for later draws because they fall closer to the project's completion and stabilization.

Large C-PACE loans are becoming more common as the financing gains favor among bigger and more sophisticated developers, which are accustomed to more flexible terms. At the same time, a pullback by mortgage lenders is compelling borrowers to fund projects with more of their own equity — capital they want to deploy before drawing on C-PACE dollars for purposes such as energy- or water-efficiency upgrades, or climate-resiliency measures.

A $137 million C-PACE package that Bayview wrote for the developer of a resort in Cocoa Beach, Fla., encompasses five tranches of funding. The breakdown in part reflected that when the transaction closed on Dec. 20, borrower **Driftwood Capital** still had enough equity to fund construction for five or six more months.

"Had the C-PACE been funded at closing, that money would have sat in escrow, creating negative arbitrage on the deal," said **Anne Hill,** a senior vice president at Coral Gables, Fla.-based Bayview.

Another benefit to delayed draws: If the amount of funds needed is not yet known, a second or third tranche can allow adjustments of proceeds when the project is near completion and the amount of contingency is better defined.

C-PACE professionals are characterizing the structure as a win-win proposition for lenders and borrowers in most instances. While lenders could face some added risk if loan interest is locked in for all tranches at the outset and prevailing rates move sharply before the corresponding draws take place, borrowers more typically have been waiting to define rates at the time of each draw.

When it comes to repayment, lenders are structuring each draw almost as if it were a separate assessment. That's workable for tax collectors or program administrators because C-PACE programs allow for multiple assessments on each property, so long as they remain within limits on measures such as maximum loan-to-value ratios or minimum savings-to-investment ratios. "There is no impact on administration," said **Glenn Silva,** chief operating officer at **Lone Star PACE** of Frisco, Texas.

Lone Star, a statewide program, last year facilitated a single hotel project with a multi-tranche format. And it continues to work on an office project with multiple tranches of financing. Most of the deals Lone Star has worked on or could be involved in have totaled $5 million to $50 million apiece, although future arrangements could be much larger.

Texas' financing guidelines recently changed to increase the portion of project costs that can be financed with C-PACE dollars, bumping up the maximum LTV for properties that are complete or that have reached stabilization to 35% from 25%.

Nationwide, C-PACE borrowers have been tapping delayed draws almost exclusively for new construction or gut rehabs, reflecting the typically shorter-term nature of retrofits. "Larger loans tend to be new construction, so negative [arbitrage] is a big issue," said **Eric Alini,** chief executive of Greenwich, Conn.-based Counterpointe Sustainable Real Estate.

Counterpointe's use of multiple tranches dates to 2019, when it underwrote $12 million of C-PACE financing for the construction of a hotel in Los Angeles. The company continues to employ the practice, typically for much larger assessments, and Alini expects the practice to become more common across the industry.

Only the largest lenders are equipped to offer such financing, however, as the capital at least initially sits on the originator's own balance sheet. Another limiting factor: It would be difficult to bundle each of a multi-tranche C-PACE facility's draws into a single securitization unless the bond issue was structured as a single-borrower CMBS offering, Alini said.

Other C-PACE providers have placed different tranches of a facility with different investors.

Smaller lenders also can face obstacles in obtaining required consents from mortgage lenders. C-PACE liens are senior to mortgages, and banks generally don't release construction-loan proceeds until after the disbursement of C-PACE funds — but are more comfortable with exceptions for providers with large balance sheets. ❖

Refi ... From Page 1

loan. After covering an estimated $32 million of closing costs, the joint venture between Starwood, of Miami Beach, and New York-based Blackstone plans to pocket the remaining $215.4 million.

The loan-to-value ratio for the new mortgage would be 62.8%, based on a $2.30 billion appraisal of the collateral pool that includes a 7.4% premium the properties would command if sold as a package. The aggregate value of the individual properties was pegged at $2.14 billion, which would lift the LTV to 67.4%.

The projected debt yield would be 13.4% and the anticipated debt-service coverage ratio would be 2.08 to 1 at issuance, based on underwritten net cashflow of $194.3 million. The borrower has committed to purchase a 5.5% cap on one-month SOFR, preventing the debt-coverage ratio from falling below 1.76 to 1.

Acting through its Starwood Opportunity Fund 9, Starwood paid $735 million in 2013 to buy the InTown Suites chain from a partnership led by **Kimco Realty,** a Jericho, N.Y.-based REIT that now focuses on retail and mixed-use properties. At the time, the portfolio consisted of 138 extended-stay hotels comprising about 18,000 rooms in 21 states.

The outstanding CMBS debt was originated in mid-2022, in conjunction with a recapitalization that valued InTown's portfolio at $2.2 billion. That recap enabled Blackstone Real Estate Income Trust, a nontraded REIT, to acquire a 30% stake in the hotel chain. Meanwhile, Starwood shifted its retained interest to other funds and investment vehicles, including its own nontraded REIT: Starwood Real Estate Income Trust.

The Starwood-Blackstone partnership has invested $170 million in renovations and other improvements at the collateral properties, which are concentrated in the Sun Belt region. They include 42 in Texas (5,515 rooms), 30 in Georgia (3,703 rooms), 17 in Florida (2,291 rooms), 15 in North Carolina (1,877 rooms), 13 each in Tennessee (1,609 rooms) and Alabama (1,510 rooms), 12 in Virginia (1,533 rooms) and 10 in South Carolina (1,189 rooms). The remaining 43 properties are scattered across another 14 states.

The hotels are 26 years old, on average, and were 80.5% occupied at yearend. The largest properties, with at least 150 rooms apiece, are in Atlanta, Orlando, Tampa and Norcross, Ga. ❖

Starbucks ... From Page 1

yield-maintenance penalty around August.

The largest piece of the property, totaling roughly 1.3 million sf, is the creative-office space occupied by Starbucks. The coffee-chain giant's lease on the nine-story, LEED gold-designated building runs until 2038. That agreement largely accounts for the overall complex's weighted average remaining lease term of more than 13 years.

The building, which has housed as many as 4,500 Starbucks staffers in the past, includes a fitness center, a daycare facility and dining areas. It also has research-and-laboratory space, which the company uses to develop and test new products.

The retail component of the complex is in an adjacent, free-standing building with roughly 108,000 sf that's leased to **Home Depot** until 2029. There also are more than 2,000 parking spaces, over half of which are in a pair of seven-story garages.

Nitze-Stagen has owned the property for about 35 years, and Daniels has been an owner for some time as well. The original part of the complex was constructed in 1912 by the **Union Pacific Railroad** and opened later as a **Sears** store. Sears expanded its space and operated there for more than a century before closing in 2014. Starbucks, which already had moved into some space prior to Sears' vacancy, took more of the property over time and by the late 1990s was the largest occupant.

The property is near Lumen Field and T-Mobile Park, home of the **Seattle Seahawks** football team and the **Seattle Mariners** baseball team.

The complex generated $19.5 million of annualized net operating income through the first six months of 2024, slightly ahead of the $18.4 million it threw off the previous year. Income is relatively stable, as Starbucks' long-term, triple-net lease on nearly 86% of the property accounts for the vast majority of cashflow. ❖

Spreads ... From Page 4

mall in Wayne, N.J. (NJ 2025-WBRK). The senior notes, rated AAA by Fitch, priced at 120 bp over Treasurys, on the wide side of the offered range. The rest of the deal was preplaced.

Meanwhile, Wells, **Natixis** and **UBS** were wrapping up a $457 million deal backed by a floating-rate loan to **Starwood Capital** and **Dalfen Industrial** on a portfolio of 38 industrial properties in 10 states (SCG 2025-DLFN) The senior notes, rated AAA by Fitch, were being offered at 115 bp over one-month SOFR, while the D class, rated BBB-, had tightened 10 bp from offered levels to 215 bp.

The largest new transaction this week was a $1.45 billion offering from Deutsche, **Bank of America,** SocGen, Barclays and Goldman (INTOWN 2025-STAY) backed by a floating-rate loan to Starwood and **Blackstone** on a portfolio of extended-stay hotels in 22 states (see article on Page 1).

Also in the market were:

- Wells, with a $277.5 million offering (WFCM 2025-SCUP) backed by a floating-rate loan to **Affinius Capital** and **Hackman Capital Partners** on three iconic entertainment studios in New York (see article on Page 2)
- Wells, BofA and Citi, with a $540 million deal backed by a floating-rate loan to Brookfield on an industrial portfolio comprising 54 industrial assets in 16 states (BLP 2025-IND). The senior notes, rated Aaa by Moody's, were being offered at 120 bp over one-month SOFR, while the Baa3-rated D class was offered at 225 bp.
- JPMorgan, with a $363 million transaction backed by a floating-rate loan to **Braemar Hotels & Resorts** on five full-service hotels (JPMCC 2025-BHR5)
- Wells, with a $351.5 million offering backed by a fixed-rate loan to **VTT Property Management** on a portfolio of six multifamily properties in Charleston, S.C. (WFCM 2025-VTT). The senior notes, rated AAA by Morningstar, were being offered at 125 bp over Treasurys, while everything from the D class down had been preplaced.

In the CRE CLO market, **Bridge Investment Group** on Feb. 21 priced the sixth such deal of the year, with tightening that brought all-in costs to 2021 levels. The $800 million managed offering was structured by Goldman with bookrunning assists from **Santander** and Wells (BDS 2025-FL14).

The portfolio consisted almost entirely of loans backed by apartment buildings, with a sprinkling (2.1%) of industrial loans. The senior notes, rated triple-A by Moody's and Fitch, tightened 3 bp from where they were offered to price at 135 bp over one-month SOFR, while the E class, rated BBB- by Fitch, tightened 20 bp to print at 310 bp. ❖

INITIAL PRICINGS

BBCMS Mortgage Trust, 2025-5C33

Pricing date:	Feb. 21
Closing date:	March 13
Amount:	$892.4 million
Seller/borrowers:	Barclays, Citigroup, Deutsche Bank, Starwood Mortgage, Societe Generale, Goldman Sachs, Benefit Street Partners, KeyBank
Lead managers:	Barclays, Citigroup, Deutsche Bank, Societe Generale, Goldman Sachs, KeyBank
Co-managers:	Academy Securities, Bancroft Capital
Master servicers:	KeyBank, Wells Fargo, Midland Loan Services
Special servicers:	Greystone, LNR Partners, CWCapital, Argentic
Operating advisor:	BellOak Advisors
Trustee:	Computershare
Certificate admin.:	Computershare
Offering type:	SEC-registered

Property types: Mixed-use (22.8%), self-storage (16.8%), multifamily (14.5%), office (12.2%), hotel (11.9%), industrial (8.4%), manufactured housing (8.3%) and retail (5.1%).
Concentrations: New York (27.7%), Texas (10.3%), California (9.5%), Florida (6.2%) and Illinois (5.6%).
Loan contributors: Barclays (27.4%), Citigroup (25.7%), Deutsche Bank (18.4%), Starwood Mortgage (9.1%), Societe Generale (7.8%), Goldman Sachs (6.3%), Benefit Street Partners (2.7%) and KeyBank (2.7%).
Largest loans: A $61.5 million loan to Saban Capital on 11 manufactured-housing communities, totaling 1,990 pads, in Indiana, Kansas and Oklahoma; a $58 million loan to City Line Capital and CSG Partners on 18 self-storage facilities, totaling 696,000 sf (4,924 units), in Pennsylvania and New Jersey; a $55 million loan to AVR Realty Co. on the 259-room Boca Raton Marriott at Boca Center in Boca Raton, Fla.; a $54 million portion of a $108 million loan to Prime Group Holdings on 15 self-storage facilities, totaling 707,000 sf (5,087 units), in six states; a $52 million senior portion of a $765 million loan to Blackstone's BioMed Realty Trust on eight life-science lab/office properties totaling 1.28 million sf in Massachusetts, California and Washington; a $51.3 million loan to Fortuna Collection on the 176-room Hotel Hendricks in Manhattan; a $49 million loan to Elo Organization on two office buildings, totaling 178,000 sf, at 21 West 46th Street and 6 West 48th Street in Manhattan; a $42.3 million portion of a $212 million loan to True North Management on 10 office, laboratory and R&D buildings, totaling 643,000 sf, in the Radius at Harbor Bay campus in Alameda, Calif.; a $40 million loan to Preylock on a 142,000-sf industrial/R&D property (Buildings C and D), fully leased to Advanced Micro Devices, within the MetCenter business park in Austin; a $36 million portion of a $65 million loan to Soho House & Co. on the 115,000-sf Soho House Chicago hotel (40 rooms) and private members club.
B-piece buyer: Prime Finance.
Risk-retention sponsor: Barclays.
Notes: Barclays, Citigroup, Deutsche Bank, Starwood Mortgage, Societe Generale, Goldman Sachs, Benefit Street Partners and KeyBank teamed up to securitize 44 commercial mortgages, totaling $892.4 million, that they originated or purchased on 100 properties across 23 states. All loans but one have five-year terms. In compliance with U.S. risk-retention rules, Prime Finance is acquiring Classes E-RR to J-RR at a price that equals at least 5% of the total deal proceeds.
Deal: BBCMS 2025-5C33. **CMA code:** 20250043.

Class	Amount ($Mil.)	Rating (S&P)	Rating (Fitch)	Rating (KBRA)	Subord. (%)	Coupon (%)	Dollar Price	Yield (%)	Maturity (Date)	Avg. Life (Years)	Spread (bp)	Note Type
A-1	3.680	AAA	AAA	AAA	30.00	4.9710	99.9987	4.9391	3/15/58	2.54	J+70	Fixed
A-2	30.000	AAA	AAA	AAA	30.00	5.3100	99.9985	5.2895	3/15/58	2.84	J+105	Fixed
A-4	590.967	AAA	AAA	AAA	30.00	5.8390	102.9985	5.1477	3/15/58	4.90	J+85	Fixed
A-S	98.159	NR	AAA	AAA	19.00	6.1680	102.9987	5.4785	3/15/58	4.92	J+118	Fixed
B	44.618	NR	AA-	AA-	14.00	6.4350	102.9986	5.7497	3/15/58	4.96	J+145	Fixed
C	32.348	NR	A-	A-	10.38	5.9810	99.9991	6.0011	3/15/58	5.01	J+170	Fixed
D	12.269	NR	BBB	BBB+	9.00	6.8473	97.9129	7.3011	3/15/58	5.01	J+300	Fixed
E-RR	15.617	NR	BBB-	BBB	7.25				3/15/58	5.01		Fixed
F-RR	15.616	NR	BB-	BB+	5.50				3/15/58	5.01		Fixed
G-RR	11.154	NR	B-	BB-	4.25				3/15/58	5.01		Fixed
J-RR	37.926	NR	NR	NR	0.00				3/15/58	5.01		Fixed
X-A(IO)	624.647*	AAA	AAA	AAA		1.0388	3.5613	3.9865	3/15/58	4.32	J-25	Fixed
X-B(IO)	175.125*	NR	A-	AAA					3/15/58			Fixed

*Notional amount

INITIAL PRICINGS

KRE Commercial Mortgage Trust, 2025-AIP4

Pricing date:	Feb. 26
Closing date:	March 18
Amount:	$740 million
Seller/borrower:	KKR
Lead managers:	Citigroup, Barclays, Wells Fargo, KKR
Master servicer:	KeyBank
Special servicer:	KeyBank
Operating advisor:	Park Bridge Financial
Trustee:	WSFS
Certificate admin.:	Citigroup
Offering type:	Rule 144A

Property type: Industrial (100%).
Concentrations: Georgia (26%), Texas (19.4%), Colorado (16.2%), Arizona (14.5%), Florida (13.3%) and California (10.6%).
Loan contributors: Citigroup (40%), Barclays (30%) and Wells Fargo (30%).
Risk-retention sponsor: Citigroup.
Notes: Citigroup, Barclays and Wells Fargo teamed up to securitize a $740 million floating-rate mortgage they are originating for KKR on 29 industrial properties totaling 7.48 million sf in six states. The mortgage and a $100 million mezzanine loan make up an $840 million debt package, slated to close on March 7, to refinance the portfolio. The interest-only debt package has a two-year initial term and three one-year extension options. The coupons are pegged to one-month SOFR plus anticipated spreads of 205 bp for the mortgage and 500 bp for the mezz loan. The SOFR cap is expected to be 3.6%. The portfolio, appraised at $1.184 billion, mainly comprises warehouses and distribution centers, which are part of KKR's Alpha Industrial Properties platform. The properties are in eight markets, led by Atlanta (28.1% of portfolio NOI), Denver (19.1%), Dallas (17.3%) and Phoenix (15.3%). The average property age is about eight years and the average clearance height is 30.5 feet. The portfolio is 93.8% leased to 90 tenants with a weighted average remaining lease term of 4.2 years. Top tenants, based on underwritten rent, are Coca-Cola, BroadRange Logistics, HD Supply, Tempur-Pedic and Alumawood. KKR, via KKR Real Estate Partners Americas 3, acquired the properties in a series of transactions, mainly in 2021. Its total cost basis is roughly $1.2 billion. The debt-package proceeds are being used to pay down $792 million of existing debt, fund reserves and to pay closing costs. Roughly $20 million will be returned to KKR. In compliance with U.S. risk-retention rules, a Singapore-based investment firm advised by Blue Owl Capital is acquiring Class HRR at a price that equals at least 5% of the total deal proceeds.
Deal: KRE 2025-AIP4. **CMA code:** 20250041.

Class	Amount ($Mil.)	Rating (Moody's)	Rating (MStar)	Subord. (%)	Coupon (bp)	Dollar Price	Maturity (Date)	Avg. Life (Init/Ext)	Spread (bp)	Note Type
A	340.500	Aaa	AAA	53.98	SOFR+130	100.000	3/15/42	1.99/4.99	SOFR+130	Floating
B	60.200	Aa2	AA (L)	45.85	SOFR+160	100.000	3/15/42	1.99/4.99	SOFR+160	Floating
C	70.500	A3	A (L)	36.32	SOFR+185	100.000	3/15/42	1.99/4.99	SOFR+185	Floating
D	89.700	Baa3	NR	24.20	SOFR+235	100.000	3/15/42	1.99/4.99	SOFR+235	Floating
E	117.400	Ba3	NR	8.33	SOFR+300	100.000	3/15/42	1.99/4.99	SOFR+300	Floating
F	24.700	B2	NR	5.00			3/15/42	1.99/4.99		Floating
HRR	37.000	B3	NR	0.00			3/15/42	1.99/4.99		Floating

INITIAL PRICINGS

TEXAS Commercial Mortgage Trust, 2025-TWR

Pricing date:	Feb. 21
Closing date:	March 17
Amount:	$450 million
Seller/borrowers:	Ivanhoe Cambridge, Hines
Lead managers:	Wells Fargo, Morgan Stanley
Master servicer:	KeyBank
Special servicer:	CWCapital
Trustee:	Deutsche Bank
Certificate admin.:	Computershare
Offering type:	Rule 144A

Property type: Office (100%).
Concentration: Texas (100%).
Loan contributors: Wells Fargo (60%) and Morgan Stanley (40%).
Risk-retention sponsor: Wells Fargo.
Notes: Wells Fargo and Morgan Stanley teamed up to securitize a $450 million floating-rate mortgage they originated on Feb. 21 for Ivanhoe Cambridge and Hines to refinance the 1.19 million-sf Texas Tower office building in Houston. The interest-only loan has a two-year initial term and three one-year extension options. The coupon is pegged to one-month SOFR plus 180 bp, and the expected SOFR cap is 6%. The property, at 845 Texas Avenue, was completed by the sponsors in 2021 and is designated LEED platinum. The 47-story, Class-A building is 95.6% leased to 22 tenants with a weighted average remaining lease term of 12.5 years. Top tenants include Vinson & Elkins (17.9% of net rentable area), Hines (15.8%), Cheniere Energy (14.4%), Fayez Sarofim & Co. (5.1%), Clifford Chance (5.1%) and Skadden Arps (4.4%). The property serves as the headquarters for Vinson & Elkins, Hines and Cheniere. The appraised value is $602 million, or $688.1 million assuming tenant improvements and leasing costs are escrowed at origination. The loan proceeds were used primarily to retire $250.3 million of existing debt and to fund $95.5 million of reserves. After factoring in closing costs and other obligations, roughly $84.7 million was returned to Ivanhoe and Hines. In compliance with U.S., E.U. and U.K. risk-retention rules, Wells and Morgan Stanley are retaining the RR Interest, which effectively is a 5% vertical strip. Based on an evaluation by Sustainalytics, this transaction satisfies the criteria of the International Capital Market Association's Green Bond Principles of 2021.
Deal: TEXAS 2025-TWR. **CMA code:** 20250042.

Class	Amount ($Mil.)	Rating (Moody's)	Subord. (%)	Coupon (bp)	Dollar Price	Maturity (Date)	Avg. Life (Init/Ext)	Spread (bp-Ext)	Note Type
A	263.340	Aaa	38.40	SOFR+129.3	99.750	4/15/42	1.99/4.99	SOFR+135	Floating
B	57.095	Aa3	25.04	SOFR+159.3	99.750	4/15/42	1.99/4.99	SOFR+165	Floating
C	50.635	A3	13.20	SOFR+214.2	99.750	4/15/42	1.99/4.99	SOFR+220	Floating
D	56.430	Baa3	0.00	SOFR+309.1	99.750	4/15/42	1.99/4.99	SOFR+315	Floating
RR Int.	22.500	NR				4/15/42	1.99/4.99		Floating
X(IO)	427.500*	A2				4/15/42			Floating

INITIAL PRICINGS

NJ Mortgage Trust, 2025-WBRK

Pricing date:	Feb. 21
Closing date:	March 6
Amount:	$360 million
Seller/borrower:	Brookfield
Lead managers:	Deutsche Bank, Citigroup
Master servicer:	Trimont
Special servicer:	SitusAMC
Operating advisor:	Park Bridge Financial
Trustee:	Computershare
Certificate admin.:	Deutsche Bank
Offering type:	Rule 144A

Property type: Retail (100%).
Concentration: New Jersey (100%).
Loan contributors: Deutsche Bank (60%) and Citigroup (40%).
Risk-retention sponsor: Deutsche Bank.
Notes: Deutsche Bank and Citigroup teamed up to securitize a $360 million fixed-rate mortgage they are originating for Brookfield to refinance the Willowbrook mall in Wayne, N.J. The interest-only loan has a five-year term and an expected 6.1% coupon. The collateral, appraised at $608.4 million, encompasses 732,000 sf of the 1.47 million-sf super-regional mall, which is 95.6% leased to more than 130 tenants. Anchors include BJ's Wholesale, Bloomingdale's, Dave & Buster's, JCPenney and Macy's. The Bloomingdale's, JCPenney and Macy's stores (totaling 740,000 sf) are not part of the collateral. The occupancy is 97.8% including the non-collateral anchors. Brookfield has spent over $60 million on leasing, property improvements and renovations since 2019. The loan proceeds and sponsor equity are being used to retire an existing $360 million CMBS loan (BAMLL 2013-WBRK) and to pay closing costs. In compliance with U.S. risk-retention rules, a Singapore-based investment firm advised by Blue Owl Capital is acquiring Class HRR at a price that equals at least 5% of the total deal proceeds.
Deal: NJ 2025-WBRK. **CMA code:** 20250040.

Class	Amount ($Mil.)	Rating (Fitch)	Subord. (%)	Coupon (%)	Dollar Price	Yield (%)	Maturity (Date)	Avg. Life (Years)	Spread (bp)	Note Type
A	201.600	AAA	44.00	5.867	101.9964	5.4564	3/5/35	5.00	J+120	Fixed
B	38.200	AA-	33.39	6.277			3/5/35	5.00		Fixed
C	30.100	A-	25.03	6.277			3/5/35	5.00		Fixed
D	42.300	BBB-	13.28	6.277			3/5/35	5.00		Fixed
E	25.875	BB	6.09	6.277			3/5/35	5.00		Fixed
HRR	21.925	BB-	0.00	6.277			3/5/35	5.00		Fixed
X(IO)	201.600*	AAA					3/5/35			Fixed

*Notional amount

INITIAL PRICINGS

BDS LLC, 2025-FL14

Pricing date:	Feb. 21
Closing date:	March 13
Amount:	$800 million
Seller/borrower:	Bridge Investment
Lead managers:	Goldman Sachs, Wells Fargo, Santander
Co-managers:	Morgan Stanley, Academy Securities
Master servicer:	Trimont
Special servicer:	Trimont
Collateral manager:	Bridge Investment
Trustee:	Wilmington Trust
Note admin.:	Computershare
Offering type:	Rule 144A

Property types: Multifamily (97.9%) and industrial (2.1%)
Concentrations: Florida (18.8%), Texas (15.9%), Georgia (10.3%), Arizona (9.5%) and North Carolina (8.9%).
Loan originator: Bridge Investment Group (100%).
Largest loans: An $82.5 million portion of an $83.5 million loan to Investcorp on the 522-unit Arium Lakeview apartment complex in Ocoee, Fla.; a $66.5 million loan to Nasim Sikder on the 352-unit District at Civic Square apartment complex in Goodyear, Ariz.; a $55 million loan to DivcoWest and Vaughn Management on three student-housing facilities (Stadium Place, Allston Place and Telegraph Gardens), totaling 172 units, in Berkeley, Calif.; a $49 million loan to Beacon Real Estate Group on the 264-unit Harper Grove apartment complex in Davenport, Fla.; and a $42 million loan to Marathon Acquisition & Development on the 147-unit Aeon apartment complex in Vancouver, Wash.
Notes: Bridge Investment Group floated a managed CRE CLO sponsored by its Bridge Debt Strategies Fund 5. The initial collateral pool consists of 12 whole loans and six loan participations, totaling $701 million, secured by 23 properties in 13 states. Bridge Investment has a six-month ramp-up period to invest the $99 million of excess bond proceeds in comparable loans. On a weighted average basis, the loans have a spread of 282 bp over one-month SOFR, a seasoning of three months and a remaining term of 31 months (52 months including extension options). Outside the collateral pool, the loan participations have about $6.1 million of future-funding commitments. For 30 months after this deal closes, Bridge Investment can reinvest repaid loan principal in new loans, companion interests and future-funding components, subject to prescribed conditions. To comply with U.S., E.U. and U.K. risk-retention rules, Bridge Investment is retaining the Income Notes at a price that equals at least 5% of the total deal proceeds. It's also retaining Classes F and G.
Deal: BDS 2025-FL14.

Class	Amount ($Mil.)	Rating (Moody's)	Rating (Fitch)	Subord. (%)	Coupon (bp)	Dollar Price	Maturity (Date)	Avg. Life (Init/Ext)	Spread (bp)	Note Type
A	460.000	Aaa	AAA	42.50	SOFR+128.2	99.750	10/17/42	2.80/4.07	SOFR+135	Floating
A-S	86.000	NR	AAA	31.75	SOFR+157.1	99.750	10/17/42	3.02/4.86	SOFR+163	Floating
B	57.000	NR	AA-	24.63	SOFR+169.3	99.750	10/17/42	3.07/4.99	SOFR+175	Floating
C	46.000	NR	A-	18.88	SOFR+189.3	99.750	10/17/42	4.04/5.02	SOFR+195	Floating
D	30.000	NR	BBB	15.13	SOFR+250.0	100.000	10/17/42	4.77/5.02	SOFR+250	Floating
E	14.000	NR	BBB-	13.38	SOFR+310.0	100.000	10/17/42	4.86/5.02	SOFR+310	Floating
F	28.000	NR	BB-	9.88			10/17/42	4.86/5.02		Floating
G	20.000	NR	B-	7.38			10/17/42	4.86/5.02		Floating
Income	59.000	NR	NR	0.00			10/17/42			Floating

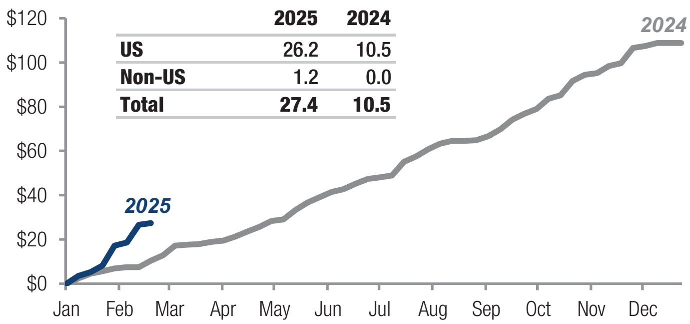
MARKET MONITOR

SUMMARY

- Spreads for 10-year, AAA-rated conduit CMBS have tightened 22 bp year over year.
- CRE CLOs account for 15.4% of U.S. CRE securitization volume year to date, up from 5.4% in 2024 and 6.9% in 2023.
- Conventional secured-debt costs are 6.4% on average, down 17 bp year to date.
- Two-year, 3% SOFR cap pricing has increased 52.1% on average since late September.

WORLDWIDE CMBS

Year-To-Date Issuance Volume ($Bil.)



	2025	2024
US	26.2	10.5
Non-US	1.2	0.0
Total	27.4	10.5

Source: Green Street

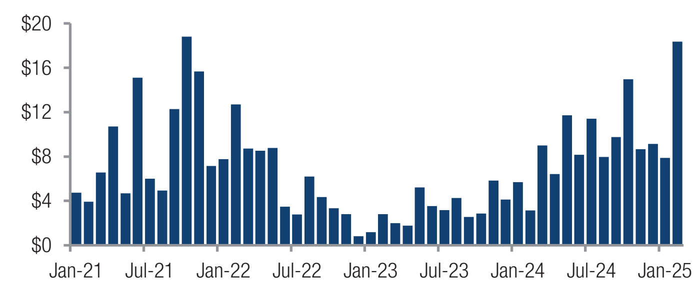
CMBS SPREADS

10-Year AAA Recent-Issue Spread Over Treasury

Source: Trepp

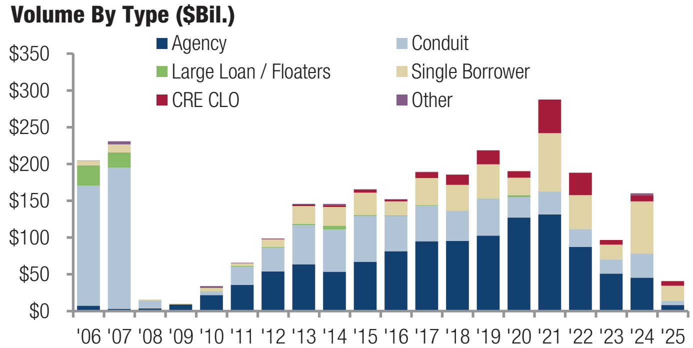
CMBS ISSUANCE

Non-Agency Issuance Volume ($Bil.)



Source: Green Street

Volume By Type ($Bil.)



Source: Green Street

CONDUIT SPREADS

		Spread (bp)		
	Avg. Life	2/26	Week Earlier	52-wk Avg.
AAA	5	J+105	J+105	J+130
AAA	10	J+74	J+73	J+91
AA	10	J+126	J+125	J+162
A	10	J+167	J+165	J+209
BBB-	10	J+445	J+449	J+588

Source: Trepp

AGENCY CMBS SPREADS

Freddie K Series		Spread (bp)		
	Avg. Life	2/27	Week Earlier	52-wk Avg.
A1	5.5	J+43	J+48	J+49
A2 (WI)	10.0	J+41	J+41	J+48
AM (WI)	10.0	J+45	J+45	J+54
B	10.0	J+144	J+135	J+157
C	10.0	J+245	J+237	J+255
X1	9.0	J+110	J+115	J+139
X3	10.0	J+275	J+295	J+335
K Floater		SOFR+54	SOFR+53	SOFR+56
Fannie DUS				
10/9.5 TBA (60-day settle)		J+49	J+48	J+53
Fannie SARM		SOFR+60	SOFR+58	SOFR+61

Source: JPMorgan Chase

CMBS TOTAL RETURNS

		Total Return		
As of 2/26	Avg. Life	Month to Date	Year to Date	Since 1/1/97
Inv. Grade	4.6	1.3%	2.0%	288%
AAA	4.4	1.2%	1.9%	266%
AA	5.0	1.4%	2.2%	138%
A	4.0	1.4%	2.5%	137%
BBB	4.0	1.9%	3.2%	174%

Source: Bloomberg

CMBX.13

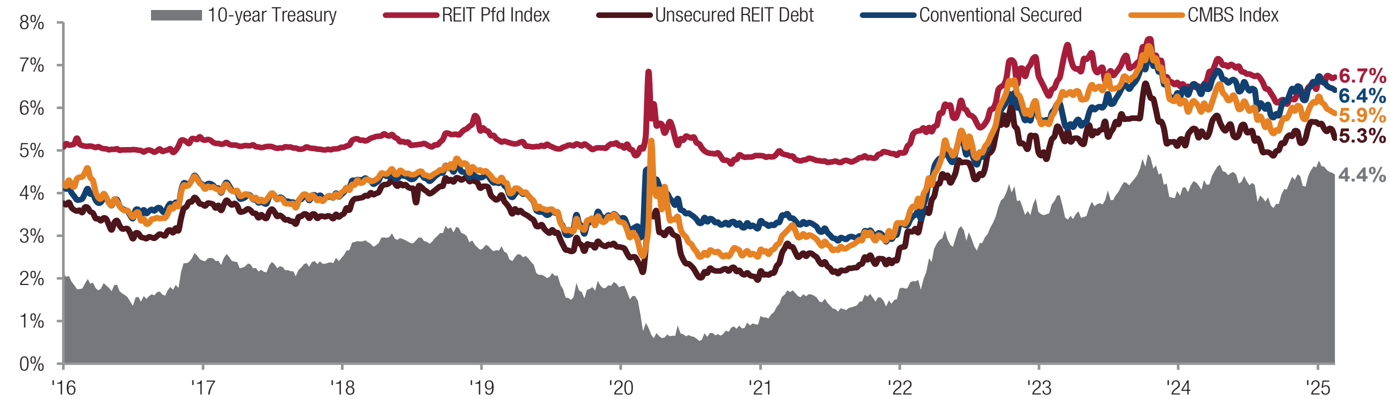
	Price ($)		
	2/26	Week Earlier	52-wk Avg.
AAA	100.4	100.4	99.6
AS	99.5	99.9	98.5
AA	96.4	96.4	96.4
A	94.0	94.2	91.5
BBB-	80.3	80.4	78.0

Source: IHS Markit

MARKET MONITOR

COMMERCIAL REAL ESTATE DEBT COSTS BY TYPE

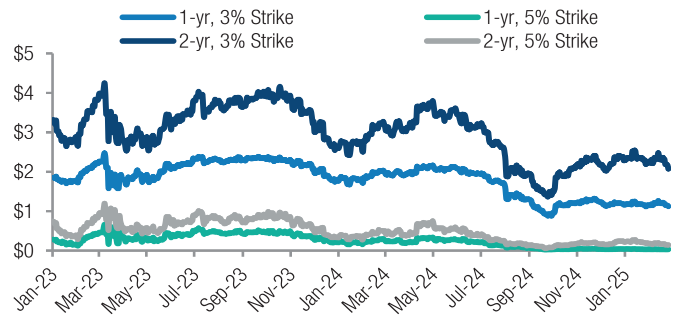
Representative of 10-Year Money



Sources: CREFCOA, Cushman & Wakefield, Trepp, Green Street

SOFR CAP PRICING

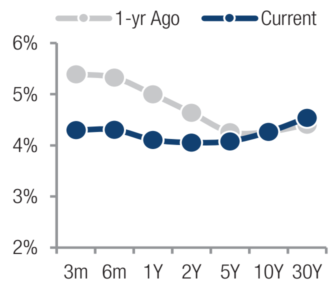
1-Month Term SOFR Cap Pricing for $100 Mil. Loan ($Mil)



Source: Chatham Financial

LOAN SPREADS

Treasury Yield Curve



Source: Bloomberg

Asking Spreads Over Treasurys

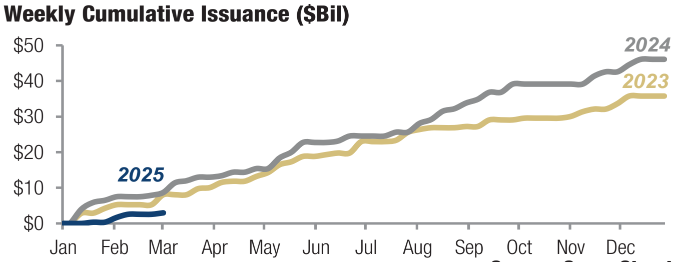
	2/21	Month Earlier
Industrial	156	163
Multifamily	152	157
Retail	170	174
Office	205	213

10-yr loans with 50-59% LTV

Source: Trepp

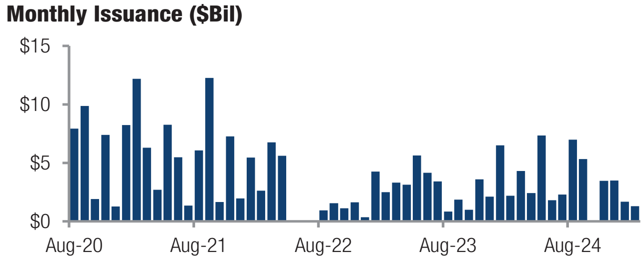
REIT UNSECURED BOND ISSUANCE

Weekly Cumulative Issuance ($Bil)



Source: Green Street

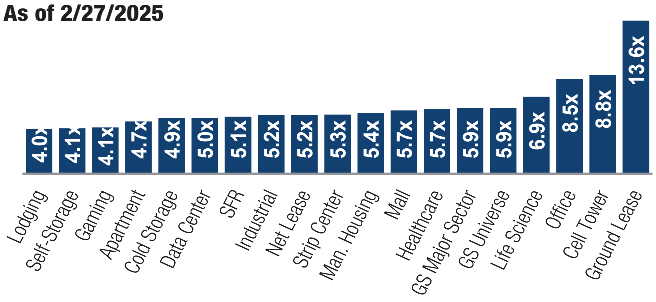
Monthly Issuance ($Bil)



Source: Green Street

REIT DEBT-TO-EBITDA

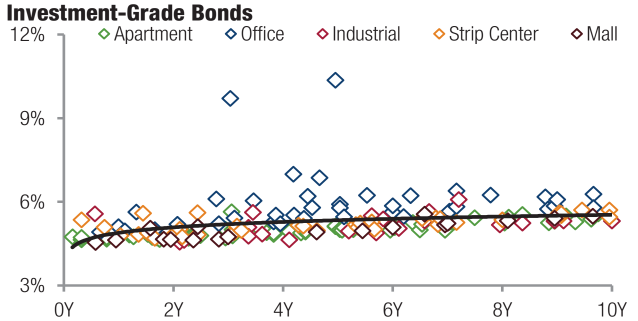
As of 2/27/2025



Source: Green Street

REIT UNSECURED YIELD TO MATURITY

Investment-Grade Bonds



Source: Green Street

Visit the News Library to access the data in the Market Monitor charts.

THE GRAPEVINE

... From Page 1

agency and bridge lender hired **Bank of America** last year to advise on a potential sale, and sources said a deal could close in the next few weeks. Details could not be learned, including the fate of a stake owned by **Meridian Capital.** NewPoint was founded in 2021 by former **Freddie Mac** chief executive **David Brickman,** with financial backing from Meridian, **Barings** and **Stone Point Capital.** Other bidders for the platform include **Bayview Asset Management, Rithm Capital** and **Waterfall Asset Management.**

Newmark has added **Ryan Sullivan** as a director in Chicago. He started this week and works on the debt and structured-finance team run by co-heads **Jonathan Firestone** and **Jordan Roeschlaub.** Sullivan arrived from **JLL,** where he worked in a similar capacity for the past four years. Prior to that, he had roles at **Heitman** and **Morningstar DBRS.** At Newmark, he'll will work with **Matt Snyder,** a **Mesa West Capital** alum who's expected to join next month and head the firm's Chicago outpost.

Greystone managing director **Witt Wittenberg** has jumped to **Basis Investment,** where he focuses on originating agency multifamily loans. He started on Feb. 21 as a senior vice president in Portland, Ore., reporting to chief investment officer **Kunle Shoyombo.** Wittenberg was at Greystone for nearly 10 years. Before that, he had stints at **First Tennessee Bank** and **CBRE.**

Benjamin Gonzalez last month joined **Centennial Commercial Finance,** the commercial real estate lending arm of Centennial Bank, as a vice president in portfolio management. He's based in Dallas and works on the bank's asset management team, which is led by senior managing director **Michael Walsh.** Gonzalez most recently worked at debt brokerage **Greysteel** and previously spent more than eight years at **Goldman Sachs,** including five years on the bank's CMBS desk.

S3 Capital Partners has hired **Ryan Talgo** as an associate to underwrite loans and to work on risk assessments of outstanding debt investments. He also has asset-management responsibilities. Talgo started on Jan. 13 in the firm's New York headquarters, reporting to **Matan Kurman,** head of operations and underwriting. He previously spent four years at **Churchill Real Estate,** where he also was an associate. S3 is the lending arm of **Spruce Capital Partners.**

Lion Creek Real Estate Capital will source debt and equity investments for **Basis Investment** to execute under a new agreement that the duo launched this month. Basis originates CMBS conduit loans, as well as loans using its **Fannie Mae** and **Freddie Mac** licenses. The firm also offers bridge loans and invests funds in debt and equity.

AB CarVal is looking to hire a senior analyst or associate with three to five years of experience for its commercial real estate debt team. The New York-based recruit would focus on origination and asset management, reporting to managing director **Scott Greenfield.** Email resumes to human.capital@abcarval.com.

Commercial Mortgage Alert (ISSN: 1520-3697), Copyright 2025, is published weekly by Green Street Advisors, LLC ("Green Street"), 535 Springfield Ave., Suite 140, Summit, NJ 07901. Commercial Mortgage Alert is published by an independent news business unit of Green Street and is unaffiliated with Green Street's advisory arm. Green Street maintains information barriers to ensure the independence of the news unit and the research and advisory services provided by the firm. It is a violation of federal copyright law to reproduce any part of this publication or to forward it, or a link to it (either inside or outside your company), without first obtaining permission from Commercial Mortgage Alert. We routinely monitor usage of the publication with tracking technology.