

# Land

Cohen financial<sup>®</sup>

REAL ESTATE INVESTMENT BANKING

## Debt Advisory Services

### PROPERTY

Land

### LOCATION

Los Angeles, CA

### LOAN TYPE

Portfolio Lender

First Mortgage

### SITUATION

- Property is infill undeveloped land that was pre-leased to a major credit retailer for development of a large shopping center. Due to the economic downturn, retailer was able to cancel its lease which eliminated the ability to refinance the pre-development loan. This also prevented a sale of the property. There were also numerous entitlement and environmental issues.

### RESOLUTION

- A two year extension was achieved with the current lender. The loan was paid down by approximately 15% through arranging a second loan on additional collateral. It was clearly communicated to the lender, that there was no equity in the project and given the entitlement and environmental issues, it was not in their best interest to take title. Borrower was required to pay a 50bps extension fee and a floor of 6.50% was incorporated.