

# Going for the Gold

**New-Look Newmark Grubb  
Knight Frank Aims for the  
Top of the Service Business 18**

**The Winners of  
CPE's Second  
Annual Distinguished  
Achievement Awards 23**

**Most Powerful  
Brokerage Firms 10**

**CPE's Second-Quarter  
Sentiment Survey 17**





# Award Winners

**Market Makers Use Creativity to Unravel Complexities, Unearth Value**

**By Suzann D. Silverman**

*CPE* salutes the winners of the second annual Distinguished Achievement Awards. In the face of a recovering economy, these brokers, lenders, developers and others stood out in a field of impressive deals, projects and strategies completed in 2011 and submitted for evaluation by our critical team of experts, achieving success by overcoming obstacles, invigorating markets and developing beneficial partnerships.

This year, we accepted submissions in six categories, and our judges selected winners in five of them: Best Lease, Best Sale (with separate consideration for single assets and portfolios), Best Financial Structure, Best Development/Redevelopment and Most Creative Repositioning Plan. We would like to thank all of those who responded to the call for entries.

Our judges, all experienced professionals with in-depth knowledge of the real estate industry, included Jay Epstien, partner with DLA Piper, chair of its U.S. real estate practice and co-chair of its global real estate practice; Josh Herrenkohl, real estate advisory investment services leader with Ernst & Young L.L.P.; Scot Hileman, director with Deloitte Financial Advisory Services L.L.P.; Ryan Severino, senior economist with REIS Inc.; and Carl Weisbrod, clinical professor and academic chair of global real estate in New York University's Schack Institute of Real Estate and former president of Trinity Real Estate.

The following pages detail the first- and second-place winners the judges selected. We also invite you to **view a slideshow** of the winning properties and a **video** featuring the observations of the judges on what these deals signify about today's real estate market.

**More details** on the winning entries are also available.



## BEST FINANCIAL STRUCTURE

### FIRST PLACE

**Property:** 470 Vanderbilt Ave.,  
Brooklyn, N.Y.

**Financiers:** Lance Capital L.L.C. (arranger) and CGA Capital Corp. (provider)

**Borrowers:** GFI Development, Starwood Capital and The Carlyle Group

**Size of Transaction:** \$44 million

**Type of Transaction:** Tenant improvement financing

**Size and Age of Property:** 400,000 square feet in a 650,000-square-foot, 80-year-old office building

**Loan-to-Cost/Rate:** 100 percent/Less than 4.25 percent

**Length of Loan/Time to Close:** 20-year lease/30 days

**The Story:** The New York City Human Resources Administration signed a 400,000-square-foot, 20-year lease, but the building required renovation as well as tenant improvements, including more than \$100 million in construction



work and recapitalization including a \$130 million senior loan syndication. A \$44 million loan was made to the building's owners, non-recourse but backed by a portion of the agency's rent. CGA issued bonds tied to the loan and privately placed with institutional investors.

**Judges Praised:** Precedent setting, very complicated, extremely difficult politically and completed very quickly.

**Submitted by:** Lance Capital and CGA Capital

### SECOND PLACE

**Property:** The Point DC Portfolio

**Financiers:** Freddie Mac, Centerline Capital Group and Principal Financial Group

**Borrowers:** Magazine Investors L.L.C., a joint venture including Pantzer Properties, Dune Real Estate Partners, Malkin Properties funds and the State Bureau of Administration of Florida (43 borrower entities in all)

**Size of Transaction:** \$328.7 million

**Type of Transaction:** Freddie Mac preferred equity structure

**Type of Property:** Multi-family

**Size and Age of Property:** 2,580 units in eight Virginia and Maryland assets built between 1974 and 2000

**Loan Terms:** Five loans: five years, three years interest only, 1.3 DSCR,

approximately 70 percent LTV, 3.41 percent rate non-recourse. Three loans: seven years, five years interest only, 1.25 DSCR, about 80 percent LTV, 4.13 percent rate, non-recourse, all early rate lock

**Time to Close:** 60 days

**The Story:** Centerline closed a Freddie Mac-financed preferred equity structure that paid off the single note securing eight properties purchased in 2011, allowing each to be financed individually so they could be sold off independently.

The rate was below the current financing and extended the terms to meet investors' holding periods. It was Centerline's largest 2011 deal last year and among the largest group of loans financed by Freddie Mac.

**Judges Praised:** A "smart" deal that gave the borrower more flexibility.

**Submitted by:** Centerline Capital Group

