

COMMERCIAL MORTGAGE ALERT

The Weekly Update on Real Estate Finance and Securitization

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Software Offered to CMBS Lenders

Helix Financial, a firm recently formed by three former **Banc of America** commercial MBS executives, has begun offering a new software system designed by **Richard Trepp**.

The database management system, called **Portfolio Advisor**, is designed to provide a centralized system to assist securitization programs with origination, pipeline tracking and reporting. The system has 4,000 fields that can organize huge amounts of data, including property cash flows, leases and borrower information. It is designed to help lenders provide better information to investors and rating agencies, and to help track and hedge loans in their portfolios.

Securitization programs have to manage increasingly complex loan and portfolio calculations, and face growing demands from investors for information. Most lenders currently use spreadsheets or **MortgageRamp's DealCentral** software system for information management.

Charlotte-based Helix, which was formed earlier this year by former BofA executives **Jon Martin**, **Kevin Donlon** and **Manish Parwani**, is offering the system through an arrangement with **Rockport PA** of New York. Rockport was recently formed by Trepp, who earlier this year left **Trepp LLC**, the CMBS analytics and technology firm he had founded.

Helix is offering to package the system with other services, including data entry, underwriting, cash-flow modeling and origination support. The company has a 20-member team based in New Delhi, India, that input data and perform loan and deal surveillance.

Helix last month hired **Scott Joel** as head structurer. Joel most recently was a consultant to **Centre Re** insurance in its collateralized debt obligation platform. He previously worked for BofA and **Nomura**. ♦

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Lehman Financing Recap of Marriott Portfolio
Lehman Brothers has agreed to write a \$550 million mortgage as part of a recapitalization of a portfolio of Courtyard by Marriott hotels. The loan will be made in conjunction with Michigan Retirement's purchase of a 50% stake in the 50 hotels from Host Marriott. Marriott International, a management firm that split with Host Marriott in the 1990s, is retaining the remaining interest. The assignment was shipped to a small group of securitization programs. It's not known whether the loan will carry a fixed- or floating rate. The Michigan-Marriott partnership will use some of the proceeds to retire a long-term loan with a \$257 million balance that Lehman securitized in 1997 (Structured Asset Securities Corp. 1997-LL1). It will also pay off some mezzanine interest. See LEHMAN on Page 10

Moody's Takes Tough Stand on CMBS Wrinkle
The sudden move to create different levels of seniority among triple-A classes has created a rift between Moody's and rival agencies that rate commercial MBS. Moody's is taking a tougher stand than S&P and Fitch by insisting on comparatively high subordination levels for junior triple-A classes. The debate centers around a structuring wrinkle called "super-senior subordination," under which issuers carve out senior triple-A tranches with relatively high subordination levels and one or more junior classes with relative move is aimed at creating classes that appeal to investors disgruntled by the sharp decline in triple-A subordination levels over the past few years. Triple-A classes traditionally had equal seniority in terms of their claim on assets. See MOODY'S on Page 14

Northmarq to Buy Stake in Fannie Mae Lender
In the latest alliance between a national mortgage player and a small Fannie Mae lender, Northmarq Capital has agreed to buy a stake in Amerispheremultifamily finance, a Nebraska mortgage bank. The deal will provide Minneapolis-based Northmarq, which is one of the most-active mortgage banks in the country, access to Fannie Mae's Delegated Underwriting and Servicing (DUS) program. And it will provide Amerispherewith a national network to source loans. Sources said Northmarq will buy a 40% stake in Omaha-based Amerisphere. The deal is expected to close today. Amerisphere currently arranges about \$100 million of loans annually, making it one of the least-active producers among the 25 firms licensed as DUS lenders. The mortgage bank, headed by president Rodrigo Lopez, hired Beekman and Kohn as legal counsel. See NORTHMARQ on Page 12

THE GRAPEVINE
Three former Goldman Sachs executives — Daniel Neidich, Steven Mnuchin and Chip Seelig — have teamed up to form a hedge-fund company called Dune Capital Management. The New York firm will operate three fixed-income funds, including one that invests in commercial real estate. The two others will target corporate bonds and asset-backed paper. Neidich was a partner and member of the management committee at Goldman, which he left earlier this year after a 20-year stint. Mnuchin, also a former Goldman partner, most recently ran a real estate fund for Soros Fund Management, which recently changed its name to Soros Real Estate Management. See GRAPEVINE on Back Page