LOS ANGELES

Who The CMBS Collapse Helped

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LOS ANGELES—Thorofare Capital closes $120 million in loans in the last two months, and the firm expects this to be one of the best years yet, thanks to new loan products and new clients from the CMBS collapse.

Eddie Prosser is a director of credit at Thorofare Capital.

LOS ANGELES—**Thorofare Capital** has funded nine short-term first mortgage debt totaling $120 million in loans in the last 60 days. All of the loans were allocated to properties in various geographic regions, including Washington State, California, Oregon, South Carolina and New Jersey, and across product types. This news could mean the one of the firm's highest loan volume to date.

"The CMBS market dried up at the beginning of the year, and now it is back. Some of the deals we have in our floating rate program, which started in the late second quarter, we saw more floating rate deals in the first half of the year," says **Eddie Prosser**, director of credit at Thorofare Capital. "Conversely, we saw CMBS up against the rest of the summer. Because of our two different products, we are seeing a lot more variety in the deal flow that comes through the door. We are on pace to do a considerable amount more of volume this year."

Thorofare has two short-term loan products that have helped to drive business. The two products are a floating rate commercial Mortgage and a fixed-rate bridge loan. These new loan products helped boost volume at the firm, but the collapse of CMBS also helped to drive new business. "I think that is helped drive some new business. There are elements of our loans that allow us to push and pull different levers, like we can provide more loan proceeds or more good news dollars. The CMBS world at times doesn't have as much control."

It isn't only the launch of a new loan product and the simultaneous collapse of the CMBS market that has helped fuel the increase in volume. The firm is growing, and looking at ways to streamline its processes. "There are a couple of driving factors. We really have streamlined our processes to understand what we can and can't do, and we identify structures and mechanisms that we can put in place when there is something that we can or can't do. Having various capital buckets allows us to provide optionality to borrowers who are trying to execute their business plan.

The nine loans include a $38.5-million fixed-rate loan for the refinancing of a two-building commercial complex in Seattle; a $15-million floating rate commercial mortgage for the acquisition, renovation and lease-up of a retail center in Yorba Linda; and $23 million in floating rate financing for the acquisition and upgrading of the historic **Chapman Plaza** in Koreatown.

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