

# Seeking \$26 Million Real Estate Bridge Loan

## Now Accepting Letters of Interest

### Opportunity

**Fund:** \$26 million real estate loan (\$34.96 psf)

**Collateral:** 4 class A office buildings (743,690 sf)

**Location:** West 11 Mile Road, Southfield, Michigan

**Purpose:** Exit Chapter 11

**Appraised Value (as-is):** \$39,000,000\*  
(i.e., \$52.44 psf) (67% LTV)

### Appraisal Summary

#### Three Tower Complex – Towers 100, 200 & 300

- As-Is Market Value (1/29/19): \$34,900,000 (\$61.77 psf)
- Prospective Stabilization Value: \$60,000,000

#### \*Tower 350

- Completed appraisal expected by March 1, 2019

### Financial Highlights

	2018 Annualized	2017	2016
Total Gross Income	\$3,756,711	\$3,549,655	\$3,175,077
Total Expenses	\$1,904,187	\$1,381,475	\$1,245,155
NOI	\$1,852,524	\$2,168,172	\$1,292,923

### Background

The subject properties were previously the global headquarters of Blue Cross / Blue Shield and, as such, were built-out to the highest quality standards. On or about October 2012 (during the height of the recession), our client (“Owner”) purchased the subject properties vacant from Blue Cross / Blue Shield for \$6,250,000.

On or about January 2014, Owner signed a lease with its first tenant, Federal Mogul Corporation for Tower 300, with a lease for additional space in Tower 200 in 2017. Federal Mogul leased and is currently occupying and paying rent on 178,655 sf in Tower 200 and Tower 300. Owner invested \$8.3 million in tenant improvements for Federal Mogul.

On or about February 2017, Owner signed a lease with its second tenant, Stefanini Corporation. Stefanini leased and is currently occupying and paying rent on 49,071 sf in Tower 100. Owner invested over \$500,000 in tenant improvements for Stefanini.

Problems arose when Owner could not complete approximately \$250,000 of tenant improvements because funding from Owner’s shareholder was temporarily cut during Q1 and Q2, 2018. As a result, Stefanini commenced litigation against Owner and obtained the appointment of a receiver in September 2018.

For unknown reasons and upon information and belief, the receiver failed to make the October 1, 2018 mortgage payment or any mortgage payments thereafter. As a result, Owner is now in default on its mortgage loan. On January 8, 2019, Owner filed Chapter 11.

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**Keen’s retention is pending Bankruptcy Court approval**

Tower 300

Tower 200

Tower 100



Tower 350



**Metro Office Complex – Southfield, MI**

Tower 100	Tower 200	Tower 300	Tower 350
27100 W 11 Mile Rd Southfield, MI	27200 W 11 Mile Rd Southfield, MI	27300 W 11 Mile Rd Southfield, MI	27350 W 11 Mile Rd Southfield, MI
106,221 sq. ft.	280,159 sq. ft.	178,655 sq. ft.	178,655 sq. ft.
7 stories	12 stories	10 stories	10 stories
15,467 sq. ft. floor plate	19,159 sq. ft. floor plate	15,190 sq. ft. floor plate	15,190 sq. ft. floor plate
Built in 1984	Built in 1989	Built in 1985	Built in 1985
46% Occupied: Stefanini	3.1% Occupied: Federal Mogul & Sterling Services	Fully Rented: Federal Mogul	Vacant

Notes: Tower 100 & Tower 200 connected by a covered walkway

**Keen-Summit Capital Partners LLC | (646) 381-9222 | [www.keen-summit.com](http://www.keen-summit.com)**  
*Retention is pending Bankruptcy Court approval*

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