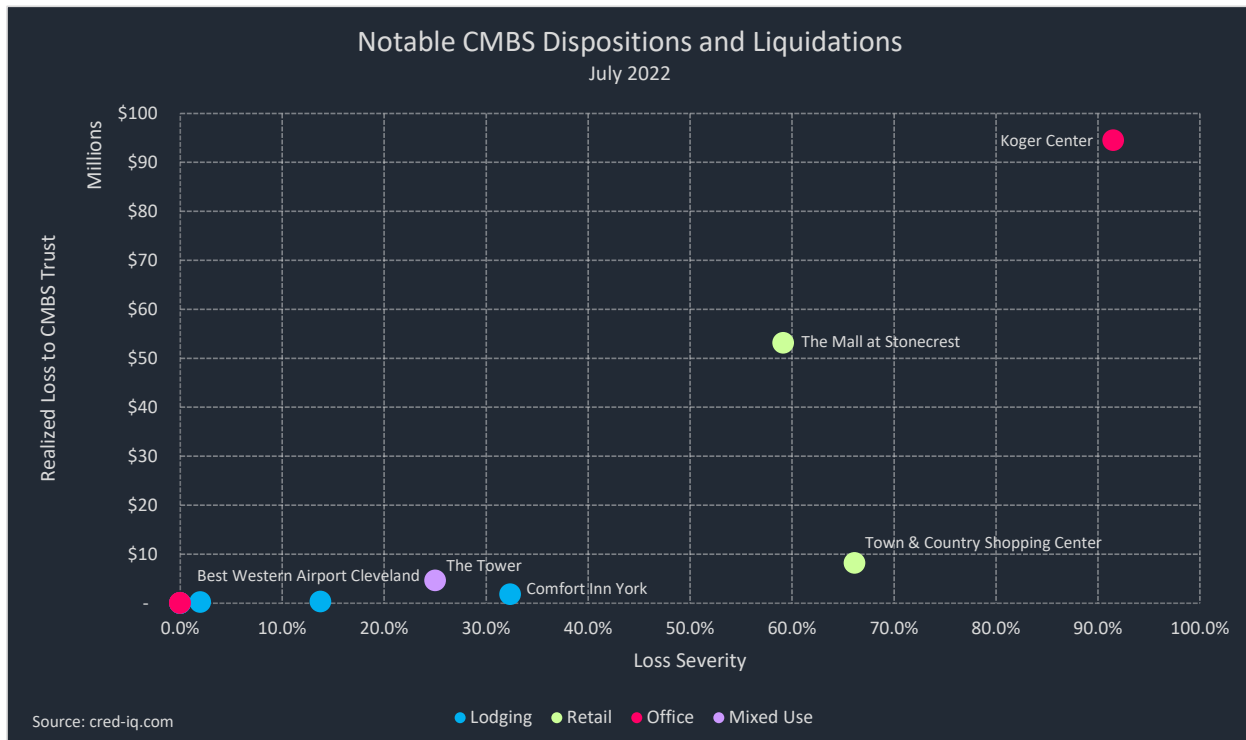


CMBS - July 2022 Loan Dispositions and Payoffs

CMBS conduit and SBLL transactions incurred approximately \$163 million in realized losses during July 2022 via the workout of distressed assets. CRED iQ identified 14 workouts classified as dispositions, liquidations, or discounted payoffs in July 2022. Of those 14 total workouts, half of the assets were resolved without a loss. Of the seven workouts resulting in losses, severities for the month of July ranged from 2% to 91.5%, based on outstanding balances at disposition. In total, realized losses in July were more than double the amount of realized losses in June. On a monthly basis, realized losses for CMBS conduit and SBLL transactions averaged approximately \$137.8 million year-to-date.

Lodging properties accounted for half of the total number of distressed CMBS workouts this month, although only three of the loans secured by lodging properties incurred losses. Other property types with multiple distressed workouts included three distressed retail properties and two distressed mixed-use properties.

The liquidation of [Koger Center](#) represented the largest loss, by dollar amount and loss severity, among all distressed workouts this month. The liquidation alone accounted for 58% of the total realized losses for the month. Koger Center, an 854,944-sf multi-building suburban office campus in Tallahassee, FL, had been in special servicing since October 2019 and was auctioned in May 2022. Outstanding debt for the asset totaled \$103.3 million and July's liquidation resulted in a loss



severity of 91.5% based on the balance at disposition.

Another notable distressed workout was [The Mall at Stonecrest](#), which took over nine years to resolve. The 397,655-sf portion of a regional mall located 20 miles outside of Atlanta, GA secured \$89.8 million in outstanding debt. A discounted payoff of the debt, funded by GeenLake Asset Management, resulted in a loss severity of 59% for the loan.

Excluding defeased loans, there was approximately \$4.7 billion in securitized debt that was paid off or liquidated in July, which was a sharp decline compared to \$7.8 billion in June 2022. In July, 7% of the loan resolutions were categorized as dispositions, liquidations, or discounted payoffs. The percentage of distressed workouts was 5% in the previous month. Approximately 12% of the loans were paid off with prepayment penalties.

By property type, office had the highest total of outstanding debt pay off in July with 35% of the total by balance. Among the largest payoffs was a pair of loans secured by Manhattan office towers. A \$275.3 million mortgage secured by the [HSBC Tower](#) in Midtown and a \$197.8 million loan secured by [100 Church Street](#) in Lower Manhattan both paid off at maturity on July 1, 2022.

July 2022 Distressed CMBS Workouts



Deal Name	Property Name	Property Type	Balance Prior to	Realized Loss	Loss Severity	Time to Resolution ¹
			Disposition (millions)	to Trust (millions)		
CSMC 2007-C1	Koger Center	Office	\$103.3	\$94.5	91.5%	33
JPMBB 2015-C32	Town & Country Shopping Center	Retail	\$12.4	\$8.2	66.1%	41
BACM 2005-1	The Mall at Stonecrest	Retail	\$89.8	\$53.1	59.1%	116
WFCM 2016-NXS5	Comfort Inn York	Lodging	\$5.5	\$1.8	32.4%	25
DBUBS 2011-LC2	The Tower	Mixed Use	\$18.4	\$4.6	25.0%	12
COMM 2015-LC23	Best Western Cleveland Airport	Lodging	\$2.3	\$0.3	13.8%	23
CGCMT 2013-GC15	HGI Shreveport & HI Natchez	Lodging	\$8.8	\$0.2	2.0%	29
MSC 2016-UB11						
SGCMS 2016-C5	Plaza Mexico - Los Angeles	Retail	\$106.0	\$0.0	0.0%	21
WFCM 2016-NXS6						
WFCM 2015-C31	Holiday Inn - Lafayette	Lodging	\$10.7	\$0.0	0.0%	40
CSAIL 2017-CX9	IC Leased Fee Hotel Portfolio	Leased Fee	\$10.1	\$0.0	0.0%	37
JPMCC 2012-CBX	Holiday Inn Metairie New Orleans Airport	Lodging	\$8.9	\$0.0	0.0%	6
MSBAM 2012-C5	EconoLodge Times Square	Lodging	\$8.7	\$0.0	0.0%	25
UBSBB 2012-C3	214 Franklin Street	Mixed Use	\$4.4	\$0.0	0.0%	11
RCMT 2018-4	Charlotte Townhomes	Multifamily	\$0.7	\$0.0	0.0%	7

¹Number of months since most recent transfer to special servicer

Source: cred-iq.com

About CRED iQ

[CRED iQ](#) is a commercial real estate data, analytics, and valuation platform designed to unlock investment, financing, and leasing opportunities. CRED iQ provides real-time property, loan, tenant, ownership, and valuation data for over \$2.0 trillion of commercial real estate.

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