

**701 PENCADER DRIVE
PENCADER CORPORATE PARK
NEWARK, DE 19702**

Services Provided INVESTMENT SALES/MORTGAGE FINANCE

Investment Sales
Mortgage Finance

Project Outline:

Wye Realty Advisors represented Penguin Industries in sale of a 151,000 SF industrial building in the Pencader Corporate Park in Newark, DE. The two tenant building was 100% leased at the time of sale. Wye Realty guided the client on the sale of the majority interests in the asset, while facilitating the retention of a minority interest by a partner who wanted to maintain its investment.

In addition to facilitating the sale of the property, Wye Realty managed the process of arranging mortgage financing for the project, including evaluation of the assumption of the existing in-place loan vs. other competing loan proposals. This process involved evaluation of pre-payment penalty scenarios wherein the existing in-place loan might be replaced by new financing.

Wye Realty Advisors prepared offering materials, including detailed financial projections for presentation to a select list of private buyers with interest in the local market and product type, as well as structures that might permit the retention of the existing partner's minority interest. Via solicitation of interest from this limited pool of purchasers, Wye was able to identify a qualified buyer with capacity to assume the existing in-place mortgage, and to achieve an expeditious closing.

In addition, Wye evaluated existing debt terms on the to-be-assumed mortgage and projected new debt terms/capacity for the asset, net of prepayment costs associated with extinguishing the existing loan. Based on the above, Wye Realty assisted the purchaser in procuring new mortgage financing for the project, with a lower Net Present Cost (NPC) of borrowing, even after factoring in the cost to the parties to prepay the existing loan with penalties.

Value Added:

Wye Realty Advisors sourced a qualified purchaser for the majority interests in an modestly sized investment real estate opportunity, including pairing the seller with a buyer who would permit retention of a minority interest by an existing partner. Wye Realty then conducted comparative analysis of the existing financing vs. new mortgage loan options and participated in placing new debt on the asset to provide lowest NPCost financing for the acquiring entity.



CONTACT BILL RUSSELL
BRussell@WyeRealtyAdvisors.com
9 Rock Manor Avenue, Wilmington, DE 19083
Phone: 302.655.2415
Mobile: 302.593.8005

WYE REALTY ADVISORS