



Cantor Fitzgerald and CIM Group form Cantor Commercial Real Estate

August 23, 2010 - Financial Digest

According to Cantor Fitzgerald and CIM Group (CIM), they have formed Cantor Commercial Real Estate (CCRE), a real estate financing business that will originate competitively underwritten fixed- and floating-rate mortgages and mezzanine loans secured by diverse real estate assets, predominantly in urban communities in major U.S. markets, and will engage in securitizations of these loans. Cantor Fitzgerald and CIM will serve as co-general partners. The CCRE management team is led by Anthony Orso, executive managing director of Cantor Fitzgerald and CEO of CCRE.

"By partnering with CIM, an outstanding investor, we are creating an entirely new investment banking model in the commercial mortgage business and are initially targeting annualized loan production of approximately \$5 billion," said Orso.

"We have put together one of the preeminent real estate financing teams in the business," said Howard Lutnick, chairman and CEO of Cantor Fitzgerald. "And with our partner, we have created an exciting new platform in the CMBS origination and structuring business, something that was traditionally kept in-house by Wall Street. It's a defining moment in commercial real estate lending."

"Our strategic partnership with CIM Group will contribute to renewed liquidity for senior debt instruments," Orso said. "CCRE's powerful institutional sponsorship and capital base, combined with the strength of Cantor's fixed income sales force and the depth of its borrower relationships, are the foundation of our capability to offer superior capital markets execution and a diverse distribution strategy. The fundamental quality of assets, credit quality of borrowers, and high standards in loan structures will be the hallmark of our transactions as we make loans and launch securitizations," he said.

While more than \$230 billion in commercial mortgage-backed securities were originated in the U.S. at the peak of the CMBS market in 2007, the aggregate supply of originations dramatically fell to an estimated \$3 billion in 2009. CCRE believes the market is poised to become more active, as U.S. commercial property values begin to stabilize and as it is expected that borrowers will need to refinance approximately \$1.4 trillion of commercial real estate debt maturing over the next four to five years.

"Current market conditions provide a significant opportunity to build a vibrant role for CCRE in the commercial real estate financing marketplace," Orso said.

Cantor Commercial Real Estate, an affiliate of Cantor Fitzgerald, L.P., is a fully-integrated commercial real estate finance company providing innovative financing solutions to the real estate capital markets. CCRE will originate competitively underwritten fixed- and floating-rate mortgages and mezzanine loans secured by diverse asset types in most major U.S. markets. CCRE is capitalized by strong institutional sponsorship including affiliates of CIM Group and Cantor Fitzgerald & Co., and is led by an experienced team of real estate professionals with extensive track records

originating, structuring, managing and distributing commercial real estate loans in various economic cycles. Its three founding management partners are Anthony Orso, Steve Kantor and Michael Lehrman, who all worked together for approximately ten years at Credit Suisse managing a leading real estate lending and distribution platform before joining Cantor Fitzgerald. The CCRE management team includes seasoned professionals with a deep network of borrower, broking, and banking relationships.

About Cantor Fitzgerald

Cantor Fitzgerald, a leading global financial services firm and a proven and resilient leader for over 65 years, is one of the few remaining private partnerships on Wall Street. Cantor has earned a reputation for excellence in customer service and execution, integrity, and innovative financial technology, serving more than 5,000 institutional clients around the world. The Cantor Fitzgerald franchise includes capital market sales and trading, investment and merchant banking, commercial real estate finance, prime brokerage and other businesses. Cantor Fitzgerald is one of 18 primary dealers authorized to trade U.S. government securities with The Federal Reserve Bank of New York. Approximately 4,100 employees of Cantor Fitzgerald and its affiliates globally serve clients in over 30 locations, including major financial centers in the Americas, Europe, Asia/Pacific, and the Middle East. Cantor Fitzgerald, L.P. is the parent entity of Cantor Fitzgerald & Co.

About CIM Group

CIM Group is a leading investment firm that since 1994 has systematically and successfully invested in dynamic and densely populated communities throughout North America. CIM Group draws on its experienced team of real estate, investment and finance professionals to identify and pursue investment opportunities in three primary strategic categories: repositioning and development projects in established and emerging urban areas; well-positioned operating properties in transitional districts; and infrastructure. CIM manages three distinct portfolios, including Opportunistic, Stabilized and Infrastructure funds, each of which are diversified by geography and type of property within that risk profile. Headquartered in Los Angeles, CIM maintains regional offices in New York, the San Francisco Bay Area and Bethesda, Maryland.

Contact

Cantor Fitzgerald

Sandra Lee Robert Hubbell

Cantor Fitzgerald Cantor Fitzgerald

212 610-2297 212 294-7820

slee@cantor.com rhubbell@cantor.com

CIM Group

Bill Mendel

Mendel Communications LLC

212 397-1030

bill@mendelcommunications.com

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540