



## **Guardian completes sale of loan portfolio for Fulton Bank**

December 27, 2012 - New York City

Guardian, a national real estate investment bank, recently closed on a portfolio of loans for Fulton Bank. The complex portfolio included four different and challenging collateral types including, residential homes, restaurant, office building and recreation center.

John Szakats, lead trader at Guardian said, "The entire Guardian Team deserves credit for completing this portfolio sale successfully. The loans included in this portfolio each had distinct challenges that could not have been overcome without Guardian's tireless due diligence and local market knowledge. Even with a tight timeline to complete the deal, the collective real estate knowledge embodied by the team allowed us to overcome all of the hurdles this portfolio presented and complete the sale above and beyond the bank's expectations."

The first asset was a collection of class C Section-8 homes located in northeast area of the city. Guardian used its real estate technology platform, Guardian MarketMaker, to specifically target a database containing low-income housing investors. Due to unavailable HUD contracts, it was impossible to validate the duration, requiring buyers to underwrite the asset as short term or "market rate." The condition of the collateral, both actual and perceived was another major concern to potential buyers as the buying community was unable to ascertain the status of the HUD required repairs.

The second asset was a restaurant located in a N.J. suburb. Despite a weak location, Guardian was able to find the right buyer at the right price, given the borrower's interest in the success of the loan, the assets consistent income generation, the presence of a liquor license and overall condition of the asset.

The third asset was a 25,000 s/f partially leased office building in Metro-D.C. Due to its quasi-performing status, this asset generated the most interest of the entire portfolio despite the lack of updated rent roll/tenant information which limited investor ability to underwrite the asset, a less than ideal location as office vacancies in the immediate area were high. Through due diligence and strategic marketing, Guardian identified a single buyer for all three assets and completed the transaction in a timely and efficient manner.

The last asset was a recreation center located in N.J. Guardian's local market knowledge, diligent research and thorough marketing efforts found that the community would be the only buyer as most investors were unwilling to take on borrower, guarantors and the overall community. A local buyer with intimate knowledge of the asset and problems associated with it was identified and Guardian was able to procure an offer, exceeding Fulton Bank's expectations.

Throughout the marketing and sale of this complex portfolio of loans, Guardian was able to persevere and succeed with market knowledge, a real estate technology platform and a bid selection process.