



## **Outside the Region: Cronheim secures \$11.6 million for 709,000 s/f warehouse**

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Staunton, VA Cronheim Mortgage secured cash-out refinancing for a 709,000 s/f warehouse and distribution facility fully occupied by Best Buy. The 5-year loan was locked at a rate of 4.32%.

The property is located in Staunton, VA just off I-81 and serves as one of Best Buy's seven national distribution and fulfillment centers. Best Buy has occupied the property for over 20 years and had just renewed its lease for five more years.

David Turley said, "This was a challenging one. While Best Buy had just renewed, it's a huge single-tenant industrial building in a tertiary market tenanted by a company, which has been under a lot of pressure over the past couple years. Securing a cash out financing under these circumstances was not an easy sell. We were able to find empty building sales that substantiated "dark" value and then use amortization to lower the lender's debt basis to an acceptable level by the time the lease rolls. Overall, it was a great execution for borrower and lender."

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