



## **FOR IMMEDIATE RELEASE**

### **Commercial Defeasance Structures \$28 Million Transaction for Concert Real Estate Corporation of Vancouver**

**Vancouver, B.C. – November 26, 2007** – Commercial Defeasance, LLC recently facilitated a \$28,400,000 multi-property Canadian defeasance transaction for Concert Real Estate Corporation, a real estate development and ownership company based in Vancouver, British Columbia. They defeased three loans secured by class B industrial and office properties located in Ontario. The first loan included a 271,000 sq. foot industrial property and 64,000 sq. ft. office building located at 6625-6705 Tomken Rd. Mississauga, Ontario. The second loan was for a 320,000 sq. ft. industrial building located at 75 Rexdale Blvd in Mississauga, Ontario. The third loan was for an 80,900 sq. ft. industrial property and 50,400 sq. ft. office building at 80-90 Centurian Drive in Markham, Ontario. The defeasances enabled Concert Real Estate Corporation to refinance the property with Bank of Montreal for \$52,625,000.

Lionel Wazny, Chief Financial Officer, of Concert Real Estate Corporation said, “Jon Davis and his team made this one of the simplest financial transactions I have participated in during my 25 years in the real estate industry. All I had to do was sit back and watch. The process took only 2 weeks and was handled in a very professional manner.”

Jon Davis, Deal Manager, of Commercial Defeasance said, “The vendor and purchaser needed to close this portfolio quickly with a simultaneous assumption/defeasance structure. The multi-loan defeasance was a complex task, but thanks to the experience of our dedicated team and all the parties working well together we met everyone’s expectations on the closing date.”

#### **What is Defeasance?**

Many fixed-rate conduit/CMBS loans originated since 1999 in Canada do not have any rights of repayment or yield maintenance provisions and instead require borrowers to defease in order to sell or refinance their property. Put simply, defeasance is a substitution of collateral. Typically, the borrower pledges to the lender a portfolio of government bonds sufficient to make all remaining debt service payments. Once the bonds are pledged to the servicer and delivered to an institutional securities intermediary who will hold the bonds for the benefit of the loan servicer, the servicer will instruct the lender to discharge the mortgage/charge of record.

#### **About Commercial Defeasance, LLC**

Commercial Defeasance, LLC is the market leader in commercial real estate loan defeasance. The company actively manages all aspects of the 30 day defeasance process, so borrowers and their attorney and broker can focus on the related real estate transaction with confidence that the defeasance will close on time. Commercial Defeasance has continuously led the defeasance market since pioneering the CMBS defeasance business in 2000. The company has facilitated thousands of defeasance transactions in the United States and Canada for all property types from million dollar single loan transactions to billion dollar multi-loan transactions coordinated with multiple loan servicers and rating agencies to close on the same day. For more information or a free defeasance cost estimate, please visit [www.defeasewithease.com](http://www.defeasewithease.com) or call 1-800-624-4779.

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