



**COMMERCIAL DEFEASANCE**  
DEFEASE WITH EASE®

## **FOR IMMEDIATE RELEASE**

### **Commercial Defeasance Facilitates \$29 Million Defeasance in five days for an office building in Beverly Hills.**

Beverly Hills, CA. – October 9, 2008 – Commercial Defeasance, LLC recently facilitated a \$29.3 million defeasance transaction on a premier high rise office building in Beverly Hills, CA. A defeasance usually takes 30-45 days to complete, but this transaction was completed in five days including rating agency review. The transaction allowed the Beverly Hills company to refinance the 99,904 sq. foot property with Washington Mutual Bank. The owners were represented by Parklane Investments and George Smith Partners.

Farzin Emrani, of George Smith Partners, said “Commercial Defeasance played a pivotal role in helping us close a large loan in a very short time frame. The transaction needed to close in five days including obtaining rating agency approval. We knew that Commercial Defeasance’s experience and knowledge of the process would ensure an on time closing.”

Adam Coleman, Deal Manager at Commercial Defeasance, said, “This transaction was a clear example of how the current economic turmoil can impact the timing of a defeasance transaction. Everyone working on this deal knew that if we weren’t able to get everything closed in less than a week, the refinance might fall through. It was gratifying to be able to leverage our knowledge, experience and responsiveness to achieve our customer’s closing goals.”

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

Defeasance is a substitution of collateral in which a portfolio of government securities replaces the real estate as the collateral for a commercial loan. Redemption of principal and interest from the securities pays all remaining debt service, so the promissory note technically remains in place but is repaid from the proceeds of the securities purchased. The securities are typically purchased with a portion of the proceeds of a sale or refinance, so the defeasance transaction is usually coordinated with a related real estate transaction. Most fixed-rate conduit/CMBS loans originated since 1998 have defeasance provisions written into the loan documents.

#### **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 the borrower and the borrower’s 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. Custom Hedging Solutions, LLC, an affiliate, also facilitates hedging transactions to mitigate interest rate exposure and lock-in the cost of the defeasance portfolio. For more information or a free defeasance cost estimate, please visit [www.defeasewithease.com](http://www.defeasewithease.com) or call 1-800-624-4779.

###

**Media Contact:** Janell Otis, VP of Marketing, Commercial Defeasance, 704-248-2609, [jotis@cdfllc.com](mailto:jotis@cdfllc.com)