



Canada ICI Capital Corporation

# **Comparative Term Financing Trends 2007 - 2011**

Edmonton Real Estate Forum

May 3, 2011



## Rockyview Professional Centre– Calgary, Alberta

### Asset Overview:

65,000 SF Medical/Professional Building located in Southwest Calgary

Asset originally financed in 2007 with a Conduit Lender

REIT Borrower with a strong track record of acquiring high-quality medical office buildings throughout Canada





Canada ICI Capital Corporation

## **Rockyview Professional Centre– Calgary, Alberta**

### **How the Original Financing in 2007 was structured:**

#### **Conduit Loan originated in 2007:**

- 80% LTV
- 10 Year Term
- 1 Year Interest Only Period
- 27 Year Amortization
- 1.25X DCR Requirement
- Pricing under 126 bps over corresponding bond yield
- All in rate of 5.399%



Canada ICI Capital Corporation

## **Rockyview Professional Centre– Calgary, Alberta 2007 – 2011 Compare & Contrast**

**How the deal would have looked during the credit crunch 2008-2009**

- 65% LTV
- Varying lengths of term available
- 20 Year Amortization
- Full Coverage on Recourse Required
- 1.35X DCR Requirement
- Pricing between 250 - 300 bps over corresponding bond yield
- Average All in rate June 2008: 6.58% - 7.08%



Canada ICI Capital Corporation

## **Rockyview Professional Centre– Calgary, Alberta 2007 – 2011 Compare & Contrast**

### **How the deal would have looked during the recovery 2010-2011**

- Up to 75% Financing Available
- Varying lengths of term available
- Up to 25 Year Amortization
- Limited Recourse financing available
- 1.25X DCR Requirement
- Pricing between 150-175 bps over corresponding bond yield
- Average All in rate May 2011: 4.10% - 4.35%