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**From:** Nicholas Fritel [mailto:NFritel@hfflp.com]  
**Sent:** Friday, March 27, 2009 8:11 PM  
**To:** LLPComments  
**Subject:** Legacy Loans Program

I work in the commercial real estate mortgage banking industry and we have a number of institutional and private clients who have loans on commercial assets that are currently distressed. This distress is from two sources: 1) decreased occupancy has impacted the cash flow of the asset to a point where they can no longer make the monthly mortgage payments and/or 2) a maturity default, the loan has matured however the credit markets or the assets performance will not allow the borrower to refinance or sell at a level that would satisfy the existing debt.

Will there be any opportunities for existing borrowers of distressed debt, as described above, to acquire their existing loan from the bank and take advantage of the financing and equity available through the Legacy Loan Program?

This would require one-off sales of assets rather than a competitive auction process however the bank would have a captive buyer incentivized to protect their equity position. The existing borrower would be required to re-invest more equity in the asset through the acquisition of the loan and prove their commitment to the asset.

Thank you,

Nick

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**Nick Fritel**  
Senior Real Estate Analyst  
**HFF** | 1000 Broadway, Ste. 900 | Portland, OR | 97205  
**tel** 503.417.5582 | **cell** 503.830.9051  
**fax** 503.224.4333 | [nfritel@hfflp.com](mailto:nfritel@hfflp.com)