



## B PIECE LENDER'S SUBORDINATE PARTICIPATION INTEREST - CLOSED JUNE 2020



4540 AND 4676 ERIE AVENUE SW, NAVARRE, OHIO 44662

### INVESTMENT & PROPERTY DESCRIPTION:

- \$1,000,000 B Piece lender's interest in the \$10,600,000 loan (the "Loan") originated by Thorofare Capital, a LA based debt fund with over \$2.2 billion of originated loans. The B Piece lender's interest is subordinate to Thorofare's \$9,600,000 A Piece portion of the Loan.
- The Loan borrower, Briar Meads Capital, a privately held investment firm that specializes in the acquisition of non-performing loans, is using the Loan to purchase an existing \$21,300,000 mortgage loan ("Mortgage Loan") for the Massillon Industrial Complex (65 miles south of Cleveland). The purchase price for the Mortgage Loan was approximately \$20,682,764. As part of the closing for the acquisition the Loan borrower collaterally assign the Mortgage Loan as security for the Loan.

- Massillon Industrial complex is an 840,000 SF multi-building facility on 85 acres.
- Current occupancy is at approximately 92%, consisting of seven tenants, including GOJO Industries (434,448 SF), the creator of Purell hand-sanitizer; Americold Realty Trust, a publicly traded REIT, (187,310 SF), a cold storage facility servicing Heinz frozen foods and; Thrifty Retail Services, (84,471 SF), a large grocery wholesaler/distributor.
- The current net operating income for the Property, before debt service and reserves, is estimated to be approximately \$2,850,000. The debt service coverage for the Loan is estimated to be at 3.02x.

### FUND V CAPITAL CONTRIBUTION AND OWNERSHIP INTEREST IN THE B PIECE LENDER:

- The Fund will own a 65% membership interest in the B Piece Lender (TEI TF Massillon LLC), based on its capital contribution of \$674,537.50. The general managers of the B Piece Lender are Francis Greenburger and Robert Kantor (the "Managers"). The other member of the B Piece Lender are affiliates of the Managers.

### DISTRIBUTIONS TO FUND V FROM LOAN PAYMENTS AND OPTION TO PURCHASE:

- Distributions of loan payments, provided there is no monetary event of default beyond 30 days, will be distributed so the Fund, as part of the B Piece Lender, receives a return at 15.9% per annum and prorata distributions of the principal balance of the Loan. However, if there is a monetary event of default beyond 30 days, Thorofare, as the A Piece Lender, is paid first their accrued interest and their portion of the principal balance of the Loan, before any payments are made to the B Piece Lender.
- The B Piece Lender has an option to purchase the A Piece Lender's interest in the Loan upon a monetary default by the Loan borrower under the Loan.

For more information, see Project Supplement No. 2 or contact [Alex Anderson](mailto:aanderson@timeequities.com) at 212.206.6176 or [aanderson@timeequities.com](mailto:aanderson@timeequities.com). For further details on the \$10,600,000 Loan, Underlying Mortgage Loan and the Tenants Option to Purchase, please turn the page.