

Allianz Real Estate

A Quarterly Publication For Our Business Partners
2nd & 3rd Quarters 2000

Allianz of America, Inc.

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Allianz of America, Inc.

Wholly-owned sub of
Allianz AG, headquar-
tered in Munich,
Germany.



The second largest
insurance group in the
world with a market
capitalizations of \$80B.



In North America,
Allianz of America
acts as investment
advisor for:

Allianz Life
LifeUSA
Fireman's Fund
Allianz Canada
Allianz Mexico



Over \$25B in assets
under management



Assets managed
include:

Fixed Income
Equities
Mortgages
Real Estate

MORTGAGE DEAL CLOSED

Repeat Borrower

\$6.8 million

Forward Commitment

John Clifford of L.J. Melody's Chicago office sourced this outstanding piece of business from another satisfied customer of Allianz's commercial debt program. **Sponsorship:**

The property was purchased through a 1031 exchange by a local real estate investor. Allianz previously financed a 120,000 square foot warehouse property for this borrower.

Real Estate: The office building is a two-story, 71,000 square foot steel frame building located prestigious Oak Brook area of Chicago, Illinois. **Tenancy:** Ace Hardware occupies 100% of the property under a long-term lease. Ace signed a new lease as a condition of their sale of the building. **Features of the Transaction:** The tenant has an early termination right with payment of a penalty. The borrower has agreed to escrow additional funds to pay for tenant improvements should Ace exercise their early termination. The early termination penalty combined with the escrowed funds from the borrower should adequately cover tenant improvement and lease commissions in the event the building went multi-tenant. This transaction was structured on a 20-year amortization schedule.



Ace Hardware Office Building
Oakbrook, IL

MORTGAGE DEAL COMMITTED

Repeat Borrower / Additional Advance

\$4.9 million - 21 days to close

Allianz agreed to advanced an additional \$4.9 million under an existing loan to finance a recently completed 159,000 square foot office warehouse in Ninigret Park. This is the fifth advance under one loan which now totals \$25 million collateralized by six properties. **Sponsorship:** Ninigret Park Development is developing Salt Lake City's premiere planned business park located on 170 acres just south of the SLC airport. Since 1995, approximately 1.5 million square feet of space has been completed in what is to be a \$70 million development. **Real Estate:** Construction is of concrete tilt-wall, 30-foot clear-span, ESFR sprinklers, and 125 foot truck courts. **Tenancy:** BNK, Inc. leased 45% of the new building for 5 years. The entire loan is 95% lease to credit tenants. **Features of the Transaction:** Starting with the financing of Ninigret I for \$5 million, we have successfully added Ninigret II, III, IV, V and now building XII. As a result of the pooled financing concept (one note secured by multiple properties), no holdback was require on the unleased space in the new building. Henry Schwendiman of Bonneville Mortgage in Salt Lake City introduced Allianz to the borrower, Randy Abood, principal of Ninigret Park Development, in September 1995 and has coordinated Allianz's financing of these Class A properties.



MORTGAGE DEAL CLOSED**New Borrower**

\$9.1 million - 22 days to close

as a build-to-suit. **Tenancy:** The property is 100% leased to Pacific American Group for 15 years. The Company operates distribution warehouse space in the San Francisco and Oakland Bay areas, and offers a complete array of logistic services. **Features of the Transaction:** This loan represents a 75% loan to purchase price. This building will allow Pacific American to capitalize on the efficiencies of the newer generation warehouse space and thereby better serve their clientele. Additionally, Pacific American anticipates reducing their current occupancy cost by consolidating from multiple locations around the Oakland area.

**Pacific American Group Facility
Hayward, CA**



Ken Brokaw, of Mason McDuffie Financial, San Francisco, California sourced this office warehouse transaction located in Hayward, California. **Sponsorship:** A private investor acquired the subject property to house a logistic company, Pacific American Group. **Real Estate:** The 214,320 square foot, 28 foot clear tilt-up concrete one-story office warehouse project was recently developed by OPUS

Why do business with Allianz? **Quick Response**

Ready access to decision-makers permits prompt decisions on business issues.

 Decisiveness

Transactions are quickly identified through our in-depth market knowledge, experience and focused investment targets.

 Flexibility

Allianz offers flexible and fair documents. We have the ability to forward commit, provide staged funding, partial releases, substitutions of collateral and underwrite non-rated foreign credits.

 Trust and Reliance

Allianz is known for unparalleled service. We work with an experienced network of correspondents (see listing on back page) and make effective use of outside consultants, whom are full-fledged members of the Allianz team.

 Speed

Allianz has the most efficient underwriting / due diligence processes employed in the market place. Our streamlined approach to processing allows us to close most transactions in 30 days or less.

INVESTMENT TARGET:

**Property Types:
(Listed by preference)**

Anchored Retail

Office/Warehouse

Class "A" Suburban Office

Equity Investment Program



Markets:

Chicago
Dallas
Los Angeles
Atlanta



Property Types:

Distribution
Warehouse

Suburban
Office



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EQUITY DEALS CLOSED

It was a busy summer for the Real Estate Equity department at Allianz. Three brand new properties in three different markets, all leased to durable credit tenants, were acquired from quality developers who understand Allianz's efficient closing process.

JUNE: Allianz purchased from OPUS West a brand new office build-to-suit done for the Fireman's Fund Insurance Group. This three story 155,484 rentable square foot office property is located at the dynamic intersection of the new Eastern Transportation Corridor and I-5. Locals would say it's at the corner of Jamboree and the Santa Anna Freeway just where the new tollway starts. With a 10-year lease, Fireman's Fund consolidated their Orange County branches into this one, sparkling, state-of-the-art facility. The support from the team at OPUS West - including Chuck Vogel, Marc Altieri, Paul Marshall, and Jeff Hill - was invaluable in completing this transaction.



Jamboree Business Center
Irvine, CA



Royal Centre IV
Alpharetta, GA

JULY: With the completion of Royal Centre IV, OPUS South put the finishing brush strokes on the corporate campus in Alpharetta, Georgia. This 301,436 rentable square foot office building is six stories tall and 80% anchored with a ten-year lease to American Financial Group dba Atlanta Casualty. The Royal Centre office campus, located along the Georgia 400 corridor, is now complete with four buildings totalling 750,000 square feet. It is one of the premier office locations in North Fulton County. The professionalism and expertise of Ron Carey and Greg Miller of the OPUS South family of companies went a long way toward making the transaction possible.

AUGUST: Sears continues to sell so many home appliances that it became necessary to add 500,000 square feet of distribution space in the I-55 Bolingbrook corridor in Southwest Chicago. Duke*Weeks developed this new facility for the wholly owned logistics subsidiary that moves all the washers, dryers and refrigerators to your doorstep. This cross-docked facility is located in the Crossroads Business Park among a Who's Who of the Fortune 500 Companies, each of whom have a distribution location in this submarket. A tip of the hat to Alissa Helgesen and Jim Connor of Duke*Weeks/Chicago for closing the deal with Allianz.



Sears Logistic Services
Distribution Facility
Romeoville, IL



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Allianz Commercial Mortgage Loan Correspondents

Please contact the correspondent in your area with any transactions that hit the Allianz Investment Target:

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