



Transaction Summary:

BANK OF AMERICA TOWER at ONE BRYANT PARK

\$1.3 BILLION FIRST MORTGAGE

**\$650 million Fixed Rate CMBS
\$650 million Tax Exempt Bonds**

Chatham Capital Advisors acted as
financial advisor to One Bryant Park LLC.

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CAPITAL RAISING

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Overview

Chatham Capital Advisors acted as financial advisor to structure and close an innovative financial solution delivering \$1.3 billion of long term, low cost, interest-only fixed rate debt.

- In July 2010, the owner of the Bank of America Tower, a joint venture between The Durst Organization and Bank of America, N.A. closed on a \$1.3 billion refinancing of debt secured by a single mortgage on the Bank of America Tower at One Bryant Park, New York, New York. The transaction subordinated \$650 million of 30+ year tax exempt New York Liberty Bonds to \$650 million 10-year AAA-rated CMBS bonds.



- Bank of America Merrill Lynch and JPMorgan were co-lead managers, joint bookrunners, and co-agents on the deal.
- One Bryant Park is a 51-story, 2.4 million square foot, Class A+ office building located on the northwest corner of 42nd Street and Avenue of the Americas in Midtown Manhattan.
- Given the low level of long term rates, improved credit markets, and technical supply/demand dislocations, the timing was right for the venture to refinance a 3-year floating rate financing with long term fixed rate financing.
- Chatham ran a process to select the investment bankers and was heavily involved in the structuring, negotiating, marketing, and execution of this best efforts financing.

Achievements

- First successful co-origination of CMBS and municipal bonds secured by a single mortgage
- First single asset securitization since The Durst Organization's 4 Times Square was financed in December 2006
- 10-year interest-only CMBS and 30-year interest-only Liberty Bonds
- Term sheet to pricing in less than 90 days
- 23-year weighted average term financing at 5.18% weighted average coupon

Capital Structure

The Bank of America Tower financing is a fusion of CMBS and tax exempt debt governed by CMBS Servicer technology.

Summary of Terms	CMBS Bonds	Subordinate Tax Exempt Liberty Bonds
Coupon	4.65%	5.71%
Term	10-year ARD / 30-year final maturity	39 years
Interest Only	10 years	30 years
Prepayment / Lockout Period	Defeasance / 113 months	Defeasance / 113 months

- The transaction consisted of \$1.3 billion of investment-grade bonds, providing the property with just under 60% leverage.
- The all-in blended coupon for the entire \$1.3 billion capitalization is just under 5.18%, which was approximately swaps + 2.18%.
- The \$650 million of tax exempt Liberty Bonds may remain outstanding upon refinancing the CMBS debt.

Capital Split					
Tranche	Rating	Interest Only	Maturity	Balance	Coupon
CMBS	AAA	10 years	2020	650,000,000	4.65%
Liberty Bond Class 1	AA -1	30 years	2044	206,200,000	5.13%
Liberty Bond Class 1	AA -2	33 years	2046	145,400,000	5.63%
Liberty Bond Class 2	A	35 years	2047	87,100,000	5.63%
Liberty Bond Class 3	BBB-	37 years	2049	211,300,000	6.38%
Total / WA				1,300,000,000	5.18%

- A comparison of CMBS issuance pricing adjusted for duration shows continued spread tightening as investors return to the market.

Spread to Swaps *	OBP		Inland		DDR	Flagler	RBS	JPM
	7/8/2010	12/23/2009	11/25/2009	12/15/2009	4/22/2010	6/24/2010		
AAA	150	150	140	225	80	140		
AAA		205			90	160		
AAA						165		
AA	163	360	332	400	190	250		
A	193	420	382	450	290			
A-								345
BBB								440
BBB-	268	540		627	425			

WA Life (years)	23.1	9.4	4.7	6.8	4.8	5.9
WA Spread	176	254	181	294	141	164
Coupon	5.18%	5.87%	4.22%	5.85%	3.82%	4.33%
LTV	59%	59%	52%	52%	54%	62%
Total Proceeds (000s)	\$1,300	\$500	\$400	\$460	\$310	\$716

* Interpolated swaps with duration matching weighted average life