

FrontView Group Anticipates Winter 2010 Thaw for Commercial Real Estate

By FrontView Group

Dated: Jan 01, 2010

During the final days of 2009, FrontView Group witnessed a material upswing in both investment opportunities and the demand for its advisory services. The firm believes that this trend will continue to pick up momentum throughout 2010 and beyond.

New York, New York - "The 2009 calendar year proved to be a difficult one for the commercial real estate industry as both valuations and deal flow suffered a monumental decline," said David Steinberg, co-founder and a managing principal of FrontView Group. As the value of commercial real estate continues to fall, FrontView Group has been active advising both owners and lenders with respect to defaulted loans originated during the past several years. "Our firm experienced a significant increase in the demand for our workout and restructuring advisory services during the fourth quarter of 2009, and we expect this trend to continue for the foreseeable future," said Bret Salzer, co-founder and a managing principal of FrontView Group. Salzer heads up the firm's advisory practice while Steinberg oversees its principal investment activities. Steinberg and Salzer, two seasoned workout specialists who have collectively worked out or restructured several billion dollars of distressed real estate transactions since late 2007, founded FrontView Group in early 2009.

As the volume of distressed commercial real estate continues to increase, FrontView Group expects to pursue new investment opportunities with a particular focus on the acquisition of distressed debt. "Given the precipitous decline in valuations, our investment objectives are generally focused on the debt stack as the equity is often without value," said Steinberg. "As a firm, we have the expertise and experience to acquire controlling positions in the debt stack in order to take title to asset. The more complex the debt participation, the more opportunity we see in an asset due to the existence of greater inefficiencies and leverage points among the various players in the debt stack". The firm has relationships with leading institutional capital partners and expects to be among the first to identify compelling distressed debt investment opportunities.

"Given the the level of the firm's activity with regard to both our advisory practice and our principal investment efforts as 2009 came to a close, we are confident that 2010 will mark a change in direction for the commercial real estate industry. Assets will change hands, capital stacks will be restructured, fortunes will be lost and others made. It is our opinion that the time has arrived for commercial real estate's deep freeze to end," said Christopher Bellapianta, a principal of FrontView Group.

###

FrontView Group, operating through its subsidiaries FrontView Capital Management and FrontView Advisors, is a real estate principal investment and advisory firm. We offer our capital partners and clients the experience, industry contacts and multidisciplinary skill sets necessary to source, underwrite, restructure and manage prospective and existing investments in today's highly dislocated and volatile commercial real estate markets.

Category	Real Estate, Finance, Legal
Tags	Real Estate, credit markets, distress, workout, restructuring, distressed debt
Email	Click to email author
Phone	212.572.6294
Address	300 Park Avenue - 17th Floor

New York, New York 10022
City/Town New York
State/Province New York
Zip 10022
Country United States