

Home	Public Notices	Public Records	Name & Property Search	Watch Service	Data Direct	Marketing & Sales Lists	Crime Reports	Neighborhood Reports	Contact Us	Subscribe
------	----------------	----------------	------------------------	---------------	-------------	-------------------------	---------------	----------------------	------------	-----------

RECORD TOTALS	DAY	WEEK	YEAR
PROPERTY SALES	73	216	3,690
MORTGAGES	128	435	7,686
FORECLOSURE NOTICES	1	160	3,423
BUILDING PERMITS	0	446	7,915



RECORD TOTALS	DAY	WEEK	YEAR
BANKRUPTCIES	79	1,613	9,696
BUSINESS LICENSES	48	124	2,066
UTILITY CONNECTIONS	132	425	6,756
MARRIAGE LICENSES	18	79	1,330

KEEP A RECORD
 On DOING BUSINESS - Book and a year of Daily News paid combo
[CLICK](#)

Vol. 124

Monday, March 30, 2009

Business, Politics & The Public Interest



Issues | About

FRONT PAGE NEWS

- Thursday, Apr. 2, 2009
- Wednesday, Apr. 1, 2009
- Tuesday, Mar. 31, 2009
- Monday, Mar. 30, 2009
- Friday, Mar. 27, 2009

« Back

Go to date:

Search News:

PUBLIC NOTICES

- Thursday, Apr. 2, 2009
- Wednesday, Apr. 1, 2009
- Tuesday, Mar. 31, 2009
- Monday, Mar. 30, 2009
- Sunday, Mar. 29, 2009

« Back

Go to date:

Search Notices:

PUBLIC RECORDS

- Wednesday, Apr. 1, 2009
- Tuesday, Mar. 31, 2009
- Monday, Mar. 30, 2009
- Friday, Mar. 27, 2009
- Thursday, Mar. 26, 2009

« Back | Forward »

Go to date:

Search Records:

SEARCH THE WEB

POWERED BY Google

PREMIUM REAL ESTATE INFORMATION
CHANDLER REPORTS



SUBSCRIBE THE DAILY NEWS PRINT EDITION

PREMIUM REAL ESTATE INFORMATION

February Commercial Numbers Provide Glimmer of Hope

[Print](#) | [Front Page](#) | [Email this story](#) | [Email reporter](#)

ERIC SMITH | The Daily News

With tightened guidelines, increased equity requirements and reduced demand for loans, the commercial lending landscape remains bleak in Shelby County and throughout the nation.

But the most recent local numbers reveal a faint glimmer of hope that the tide might turn. Someday, at least.

The county saw 35 commercial mortgages in February, up 16.7 percent from 30 in February 2008 and up 40 percent from 25 in January 2009, according to the most recent data from real estate information company Chandler Reports, www.chandlerreports.com. (For this article, mortgage counts include only mortgages taken at time of sale and not refinancings.)

Commercial mortgages last month averaged \$530,481, a 25.7 percent increase over \$421,954 from February 2008 but a 12.8 percent decrease from \$608,158 in January 2009. Also, the total mortgage amount last month was \$18.6 million, up 46.7 percent from \$12.7 million in February 2008 and up 22.1 percent from \$15.2 million in January 2009.

Commercial mortgage lenders were encouraged by the slight uptick in activity, yet not all of them believe the market has rounded the corner as businesses continue to hunker down in light of the economic slowdown.

"Lending is very flat," said [Tom Portis](#), Memphis division president of Tupelo, Miss.-based [BancorpSouth Bank](#). "Most companies, I think, are kind of sitting on the sidelines waiting to see, and nobody is really expanding or putting a whole lot of money back into the economy right at the present for anything. It's sort of a retraction and waiting to see what the economy is going to do. People don't know, and I think that's the biggest thing."

Slumping

The year-to-date numbers underscore that belief. Through the end of February, just 60 commercial mortgages were made in Shelby County, down 29.4 percent from 85 the first two months of 2008 and down 50.4 percent from 121 the first two months of 2007.

Also, the average commercial mortgage amount for 2009 is \$562,847, a 54 percent decline from \$1.2 million in the first two months of 2008 and a staggering 94 percent decrease from \$9.4 million in the first two months of 2007.

The total loan amount in 2009 shows an even deeper slump. For the first two months of the year, only \$33.8 million in commercial loan activity has been tallied in Shelby County. That marks a 67.6 percent dropoff from \$104.1 million in 2008 and a 97 percent dropoff from \$1.14 billion in 2007.

The reason for the plummeting numbers over the past two years has resulted from a combination of factors, noted [Rick Wood](#), senior vice president for [Financial Federal Savings Bank](#).

"On the acquisition side, we are still seeing a huge disconnect between buyers and sellers, both in the Memphis market and nationally," Wood said. "So our acquisition loan opportunities have been minimal because the financing that's available from institutional sources is 60 to 65 percent of cost. So the equity requirement of 35 to 40 percent certainly gives potential buyers some reason to analyze the situation to see what their cash on cash return might be."

Wood added that even refinancings are suffering in light of similar loan-to-value ratios being required by lenders.

"The new underwriting and lower loan-to-value criteria probably don't make it worthwhile for a refinance for many people," he said. "It's tough putting the parties together."

Those scenarios apply to retail, office and industrial sectors, Wood added. With regard to multifamily, 80 percent loan-to-value ratios are still available through Freddie Mac and Fannie Mae, making that sector one of the more active in the commercial realm.

[Help](#) | [Customer Service](#) | [Login](#)

NAME & PROPERTY SEARCH »

Name Search Property Search

Name:

[Advanced Search](#)

WATCH SERVICE »

Watch a Name Watch a Property

Name:

Send Watch Results to This Email:

[Advanced Search](#)

DATA DIRECT »

Bankruptcies ZIP Code

Tax Liens & Releases ZIP Code

Foreclosure Notices ZIP Code

Building Permits ZIP Code

Frequency: Daily Weekly Monthly

Send List Results to This Email:

[More Lists & Samples](#)

NEIGHBORHOOD REPORT »

Street Address:

[Learn More](#)

CRIME REPORT »

Street Address:

[Learn More](#)

EMAIL EDITION »

Name:

Email:

Business Type:

Advertising

Memphis & Home
 You can't have your property without...
www.Shelby.com
 Sales Values • Fees • Neighborhood Reports

Developed by **PMD Res** in association with **RenDe**
MYHEBERS

[Home](#) | [News](#) | [Public Notices](#) | [Public Records](#) | [Name & Property Research](#) | [Data Direct](#) | [Watch Service](#) | [Marketing & Sales Lists](#) | [Crime Reports](#) | [Neighborhood Reports](#) | [Contact Us](#) | [Subscribe](#)

'Bearing down'

For February, the top commercial lender – excluding seller-financed loans, which totaled six during the month – was [SunTrust Bank](#). The bank had just one mortgage for \$2 million, a sign that overall activity was slow, to say the least.

SunTrust was followed by [First Tennessee Bank](#) NA, with two loans averaging \$569,375 and [Sycamore Bank](#) in Southaven with two loans averaging \$424,000.

Despite the dearth of lending in Shelby County, loans are being made here, albeit at a slower clip. Portis pointed out that the key word in lending has been, and remains, “qualified.” In other words, if a borrower has a good project and has solid credit backing from the standpoint of debt service, then that applicant should be approved, he noted.

“Banks are willing to lend,” Portis said. “It’s just that underwriting may have gotten a little tighter from the standpoint of what they (lenders) are looking at. At the same time, credit is available to that qualified borrower.”

[Andrew Gibbs](#), senior vice president at Memphis-based Mercer Capital, noted that the problem facing commercial lending falls on the demand and supply sides. Many lenders have been weakened by credit issues and the inability to raise capital, while many borrowers have been weakened by the overall economy.

“You don’t see many people undertaking any expansion activity now and they’re not really doing acquisitions to generate the need for financing,” Gibbs said. “Businesses seem to be trying to bear down and reduce debt to the extent they can.”

Chandler Reports is a division of [The Daily News Publishing Co.](#)



[Help](#) | [Customer Service](#)

Copyright 1995 - 2009 by The Daily News Publishing Co. Inc. - All Rights Reserved - [Privacy Policy](#) - [About](#)