

# Maplewood Commons – Retail Repositioning Summary

## Deal Overview:

Acquisition of a half-vacant neighborhood retail center in suburban Raleigh, totaling 95 k SF. Sponsor seeks a bridge loan to execute lease-up and façade refresh. Center anchored by a regional grocery tenant on month-to-month and several small service tenants.

## Key Underwriting Metrics:

- **Purchase Price:** 12.9 MM
- **Renovation Budget:** 1.1 MM (façade, HVAC, signage)
- **Total Cost:** 14.0 MM
- **Loan Proceeds:** 11.2 MM (@ 6.0 % floating)
- **NOI (As-Is / Stabilized):** 640 k / 1.02 MM
- **Cap Rate:** 5.0 % entry / 6.5 % market
- **DSCR:** 0.87× → 1.14×
- **Levered IRR:** ≈ 9 % (best case)

## Observations:

Grocery anchor non-committed; renewal probability 50 %. Vacant endcap remains dark despite 18 months of marketing. Re-tenanting budget inadequate given quoted TI allowances. Modeled rents (\$28 psf) exceed current comps (\$22 psf).

## Committee Feedback:

High execution risk, optimistic rent assumptions, and weak sponsor capitalization. Recommend decline or cap proceeds ≤ 9.5 MM.