



▶ SUCCESSFUL 2012, SIMILAR  
GROWTH EXPECTATIONS IN 2013



▶ DEPARTMENT WELCOMES  
RECENT HIRE TO GROUP

**AMERICAN FAMILY  
INSURANCE**®

# COMMERCIAL MORTGAGE UPDATE

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### Department Website:

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### Department Email:

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## HOW TO SUBMIT DEALS:

Due to increased activity, the best way to submit a deal is electronically, either through our department website, [www.amfammortgages.com](http://www.amfammortgages.com), or via email to Jeff and Laura.

## WHAT IS AMERICAN FAMILY LOOKING FOR ENTERING 2013?

An ideal transaction would be a combination of several of the following:

- Low LTV (<65%)
- Well located
- Credit tenancy
- Diversified rent roll
- Long term leases
- Superior quality asset
- Possible recourse
- Low cash flow risk
- Limited refinance risk

Due to high request volume we are focusing exclusively on transactions that incorporate several of the preceding criteria.

## 2012: A Record Year for Loan Production

The commercial mortgage team had lofty production goals for 2012: 20-25 loans totaling \$80-\$100 million. Capped by a whirlwind 4<sup>th</sup> quarter, we saw our production goals become reality, finishing the year with 25 loans closed totaling \$92.7 million. 2012 was a record-setting year both in terms of the number of loans closed and total amount funded. We expanded our portfolio geographically, entering 4 new states, and added self storage as a new property type. We expect to ride the momentum through 2013 and this year's production goals are similar to last year. With a goal of setting production records for the second straight year, our targets in 2013 are 20-30 loans totaling \$80-\$120 million. We would like to thank you for helping us achieve a successful 2012, and we look forward to working with you in the near future.

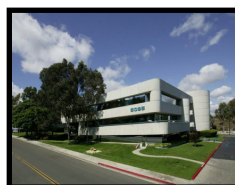
## Featured 2012 Transactions



### Industrial – Texas

**\$8,750,000**

15 yr. term / 15 yr. amort.  
*STRENGTHS: New high quality construction, fully amortizing over 15 year credit lease, excellent location*



### Office – California

**\$2,750,000**

10 yr. term / 25 yr. amort.  
*STRENGTHS: Experienced operators, good location, history of high occupancy, good debt coverage*



### Industrial – Arizona

**\$2,630,000**

7 yr. term / 25 yr. amort.  
*STRENGTHS: Excellent location, experienced operators, history of high occupancy, strong tenant mix*



### Office Portfolio – Ohio

**\$5,990,000**

10 yr. term / 20 yr. amort.  
*STRENGTHS: Good debt coverage, history of high occupancy, strong sponsorship, rapid amortization*

## Private Markets Department: New Name, Same People, Mostly

American Family's Alternative Investment Department is now the Private Markets Department. The change was made to more accurately reflect the portfolios we manage. In addition to the commercial mortgage loan portfolio, the Private Markets Department also manages a private equity portfolio, and recently began managing a portfolio of real asset funds. Continue to contact Jeff CaPaul and Laura McGraw regarding new commercial mortgage opportunities and reference our website, [www.amfammortgages.com](http://www.amfammortgages.com), for the latest information about our program.

## Private Markets Department Welcomes Newest Member



Barb Hockett has been in American Family's Investment Division since 1996 and recently joined the Private Markets Department from the Performance & Risk Services Department. Barb will be responsible for commercial mortgage loan closing activities as well as assisting with systems and special projects. We look forward to Barb's assistance in managing our loan closings and helping create process efficiencies as we continue to grow our commercial mortgage portfolio in 2013.