

Seminole Financial extends credit to Directed Capital

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A \$30 million credit facility that boosts the ability of Directed Capital Resources to acquire distressed commercial mortgages came from Seminole Financial Services LLC.

Seminole Financial in Belleair Bluffs specializes in debt and equity financing for real estate projects.

The new deal follows a \$50 million capital raise last year and a credit agreement from Goldman Sachs. Goldman upped its original credit line by \$20 million and it now stands at \$104 million, said Nick Griffin, senior vice president. Directed Capital also has smaller credit facilities from other facilities, including regional banks, Griffin said.



Chris Moench

Directed Capital, a St. Petersburg firm that buys, manages and resolves distressed commercial mortgages, has purchased more than 600 loans and than \$700 million in assets since it launched in 2001, said Chris Moench, CEO. While credit quality is improving, the federal budget sequester and general economic uncertainty continue to fuel what Moench called “a very dynamic and active marketplace.”

The company tracks locations of bank failures, where it can find higher volumes of distressed and underperforming loans, including California, the southeast United States and the MidAtlantic states, and it focuses on “Main Street” properties, not major office buildings or huge warehouses.

“The profile of the typical asset we purchase is \$1 million to \$10 million, more of a smaller shopping center or smaller industrial property,” Moench said.

Directed Capital aims to purchase about \$100 million in mortgages annually. With a market in the trillions, there are plenty of deals to choose from.