

## **American Savings Life & 14 Other LIC Member Companies Fund \$25 Million Loan**

American Savings Life Insurance Company (“ASL”), together with 16 participating investors, 14 of which are LIC member companies, recently funded a \$25,000,000 loan, the largest loan ASL has made in its 70-year history. “We could not have made this exceptional loan without participation from many of our fellow LIC member companies,” says Byron Allen, ASL’s President and CEO. “This is a win-win investment.”

The loan is secured by a Class A office building located in Scottsdale, AZ. The office’s single tenant is The Vanguard Group, which recently executed a 9-year lease. This is a CM1 rated loan with a 59% LTV and a high 1.81 DSCR with the lease guaranteed by The Vanguard Group.

ASL has been making loans with loan participants since 2014, but in recent years has grown its loan participation program to 20 participation partners, most of whom are LIC member companies and/or clients of Parkway Advisors LP, an LIC Premier Sponsor.

ASL’s loan participation program provides small to midsize life insurance companies, like LIC member companies, the opportunity to invest in highly rated commercial mortgages through *pari passu* participations with a company that has 70 years of real estate lending experience.

Most of ASL’s loans are CM1 (“highest quality”) or CM2 (“high quality”) NAIC rated mortgages. Although they have similar RBC charges to A- rated and BBB rated corporate bonds, they provide significantly higher yields (typically 8% or higher, currently). They are also shorter-term loans, usually between two to five years.

Charlie Allison, President of United Funeral Directors Benefit Life, who has participated in over a dozen loans with ASL since April 2022, says; “It is a joy to partner with American Savings Life on commercial mortgage loans. Their expertise and professionalism are top notch. With their impressive and thorough underwriting procedures, we do not have to worry about the quality of the mortgage investments. Plus, the yields and durations are great for our portfolio.”

Another participant, Jack H. Brier, chairman of US Alliance Life and Security Co., has been a participant with ASL since 2021, participating in over a dozen loans. “In addition to the favorable returns, I have found that Byron and everyone we have dealt with at American Savings have the highest integrity.” Mr. Brier continues, “For some, that might just be icing on the cake, but having it ‘baked’ into the culture of American Savings Life is the reason we are pleased and excited to invest alongside them.”

Byron Allen, President and CEO of American Savings Life, is a current LIC Advisory Board member and past LIC Chair. Mr. Allen can be reached at [byron.allen@americansavingslife.com](mailto:byron.allen@americansavingslife.com).