

SECC Closes a \$3,980,000 Multifamily Portfolio Bridge Loan

SECC is pleased to announce the closing of a \$3,980,000 bridge loan on a portfolio of three apartment buildings located in Atlanta, GA. The existing mortgage ballooned and the borrower needed to move quickly to refinance out the current lien holder.

July 20, 2013 (FPRC) - When this transaction came to SECC the borrower's extension period on his current loan had expired. His existing lien holder had been cooperative up until that point but was applying pressure to be refinanced out. The borrower was in technical default and concerned that the threat of foreclosure was not too far off if he didn't move quickly. Unfortunately, because of the high loan-to-value required to refinance out his multifamily portfolio, multiple lenders passed on this transaction. Additionally, other lenders felt that cross collateralizing multiple properties under one loan was an unfavorable structure. SECC viewed this transaction differently and through its flexible financing programs was able to provide a high leverage option on the entire collateral package and even found room to include an interest reserve. SECC was also able to offer better than market terms to help maximize the borrower's cash-flow and comfortably bridge the gap to permanent financing. The borrower was thrilled to be able to hold on to his properties; and our referring broker earned a \$19,900 referral fee.

Bridge Loan Highlights:

- 9.50% Interest Rate
- 12 Month Interest Only Term
- 6 Month Extension Option
- 75.0% LTV
- 3.0 Points
- No Prepayment Penalty

Barriers SECC Overcame:

- Borrower was past extension on current note
- Higher than normal leverage was needed
- Multiple properties had to be consolidated
- Property was dated 1970s construction

South End Capital Corporation (SECC) is located in Boston, MA and is a nationwide provider of commercial real estate: conventional loans, bridge loans, SBA loans, agency loans, conduit loans and mortgage broker training services. SECC offers same day term sheets, excellent service, fast responses, is broker friendly and pays referral fees to approved partners.

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Keywords

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