



CELEBRATING  
55 YEARS

# nerej

## **A subsidiary of Griffin Industrial Realty closes \$13.8 million loan with Farm Life Insurance Co.**

April 13, 2018 - Financial Digest

Windsor, CT According to Griffin Industrial Realty, Inc., one of its subsidiaries closed on a construction to permanent mortgage loan with State Farm Life Insurance Company that will provide up to \$13.8 million to finance a portion of the cost to construct a 234,000 s/f build-to-suit industrial/warehouse building in New England Tradeport, Griffin's industrial park in Windsor and East Granby.

The loan will initially function as a construction loan, with Griffin drawing funds as construction of the building progresses. Upon completion of the building and commencement of rental payments by the building's tenant, the loan will convert to a 15 year permanent nonrecourse mortgage loan. The interest rate on the loan is 4.51%. Payments under the loan during the construction period will be for interest only. Upon conversion to a permanent nonrecourse mortgage loan, in addition to the payment of interest, monthly payments for principal, based on a 25-year amortization schedule, will begin. The loan may be increased by up to \$0.5 million if the tenant opts to have additional improvements made to the building.

Griffin expects construction of the building to be completed in the second half of fiscal 2018, with conversion to a permanent nonrecourse mortgage loan in fiscal 2019. In fiscal 2017, Griffin entered into a long-term full building lease with an investment grade company that intends to use the building for the distribution of automotive parts.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540