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Cornerstone Realty arranges \$6.9 million financing for mixed use portfolio in Boston

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Cornerstone Realty Consultants arranged a \$6.9 million loan for its client allowing for the refinance of a mixed use portfolio in the city's North End neighborhood.

Comprised of three separate buildings, 16 Battery, 12 Foster, and 431-439 Hanover, the portfolio encompasses 33 apartment units and two retail spaces. Along with the amenities and access associated with being in the North End, each property offers a variety of unit types with many recent upgrades throughout.

The opportunity to cash out some of the equity in the properties while consolidating the existing debt and taking advantage of historically low interest rates made the loan advantageous to the borrower. Further, the opportunity to finance commercial property in the North End brought many of the more aggressive local and regional lenders to the table.

Cornerstone was able to obtain the financing by structuring a 5 year fixed rate loan at a 5.25% interest rate with a 30 year amortization and the absence of any prepayment penalties.

In addition Cornerstone arranged a \$1.38 million loan for its client allowing for the refinance of three commercial properties located in the city's Chinatown submarket. The properties, located at 60-62 Beach St, 32-34 Oxford St, and 14 Ping On, are off of Kneeland St. providing access to downtown, the Chinatown MBTA station, and I-93. The 3 properties are occupied by seven commercial tenants with six residential apartment units above. The commercial tenants include Taiwan Caf  , Rainbow Restaurant, and Chinatown Gift Shop.

The borrower, who purchased the properties in an all cash transaction earlier this year, saw an opportunity to take advantage of the market's low interest rates by placing debt on these properties allowing them use of the new capital to continue to expand their commercial real estate portfolio. The relatively low loan-to-value and the opportunity to secure debt with sought after property in Chinatown attracted multiple local and regional lenders to the deal.

Cornerstone was able to obtain attractive financing for its client by structuring a 5 year fixed rate loan with a 5.0% interest rate, a 25 year amortization. Per the borrower's request Cornerstone was also able to eliminate any prepayment penalties associated with the loan.

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