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Fantini and Eddy of Fantini & Gorga arranges \$8.65 million financing for the preservation of 81-unit Salem Towers

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The bond proceeds, along with tax credits and multiple other funding sources will be used to completely rehabilitate the property.

Salem Towers was the first Jewish HUD 202 project in the nation in 1964. The new rehabilitation financing exhibits a number of "first in the nation" creative structures to achieve the borrower's preservation goals.

This financing package is the first to in the country to 1.) convert enhanced vouchers to a project-based contract through a Housing Authority award, 2.) use the HOME Optional Relocation Assistance Plan to prevent financial displacement of any tenant, 3.) obtain a HUD waiver to permit a housing authority to extend a HAP voucher contract for 15 years to facilitate conversion of enhanced vouchers to project-based vouchers, and 4.) obtain HUD award on enhanced vouchers under the 2009 Appropriations Act provision for older Section 202s.

Marc Slotnick, president, New England Communities, Inc., co-developer with Beth Israel Senior Citizens Housing, Inc. said, "The new financing will significantly increase accessibility and affordability, and enable our residents to age comfortably in place."

"We were delighted to be able to arrange an attractive tax-exempt bond package that could structure around all of the new programs that Marc was able to incorporate into Salem Towers," said Joseph Eddy, managing director at Fantini & Gorga, who placed the bond along with chairman George Fantini.

"Marc truly showed his creativity in putting this deal together in order to make Salem Towers a better place for the residents to live."

The transaction involved a long term bond with construction proceeds. The interest rate was locked at application. The funds will be used to create 18 accessible apartments, redevelop the driveway, walks, and parking, and add a second elevator. Renovations will include new kitchens, roof, windows, heating systems, a solar hot water system, and a roof terrace.

Fantini & Gorga is a leading mortgage banking firm with a significant practice in multifamily financing. Headquartered in Boston, Fantini & Gorga specializes in assisting its clients in arranging traditional debt, mezzanine, and equity financing for all commercial property types throughout the United States.

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