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## **By Sidney Spiegel - Why use a commercial mortgage broker? To help maximize your loan dollars**

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With the range of lending sources available today to the real estate developer and owner, the question is always asked, why use the services of a commercial mortgage broker?

The answer is there is a myriad of financing sources available as well as program options, and it really requires the services of a firm with a solid history in the field to sort out what is best for the client, as opposed, to what is best for the lending source. The development process is time consuming enough that the cost for the services of the mortgage broker are more than offset by the choices brought to the table and the time saved for the developer, freeing him or her up to devote to the primary task at hand-creation of value.

A mortgage broker can arrange financing for any property type and any ownership structure regardless of size-whether it is permanent debt, bridge, construction and development, joint venture, tax credits or equity financing. The list of funding sources runs the gamut from banks, credit union, and agencies to pension plans, REITs, and individual investors.

Many people confuse mortgage brokers with mortgage bankers. Mortgage bankers will close loans with their own funds and then sell the loan to a third party that has agreed to purchase the deal before the mortgage banker has closed the loan. Mortgage bankers will continue to service the loan but take no risk of loss. Mortgage brokers arrange financing between the borrower and the lender. The mortgage broker takes no risk of loss and does not service the loan. The mortgage broker is probably more objective in his choice of lenders because of this need to find the best deal for the client.

Since 1994, the commercial division of NE Moves Mortgage has been involved in arranging favorable financing for real estate related transactions. Our experience has covered the full range of asset types including: condominiums, subdivisions, office, retail, industrial, assisted living, and specialized properties. Our attention to detail coupled with our in-depth industry knowledge enables us to address complicated financing structures and provide the best rates and terms for our clients. Over half of our volume has always been repeat business. We pride ourselves on the diversity of our client base which includes small family owned real estate professionals and major regional and national developers and builders. We deliver cost-efficient, creative financing options to our clients. By establishing relationships with a number of capital resources, we can offer up to-the-minute information on the changing requirements of lenders and if necessary, access alternative resources. We have a strong relationship with one of the largest real estate networks in the country. This affiliation strengthens our understanding of the marketplace and provides real time market data to help our clients make informed decisions.

Our scope is broad. We arrange transactions in New England and nationally. The key to our success of our business is putting the client's interests first. The key to our success of our business is putting the client's interests first. Our goal is to be able to be a one-stop commercial financing intermediary involved in:

- \* Construction loans for condominiums, single family subdivisions, and other types of for-sale product
- \* Construction-to-permanent loans for apartment complexes, office buildings, and industrial properties
- \* Fixed-rate and floating loans for income producing properties, along with bridge loans and access to FHA, HUD, and Freddie Mac insured loans
- \* Corporate finance to provide working capital, lines of credit, and funds for expansion
- \* Structured finance including mezzanine, equity, joint venture, and second mortgages

With a background of experience in the industry, knowledge of the local markets, expertise in different property types, and an understanding of the market fluctuations, we have established ourselves as the professionals of the industry. We take pride in the ability to add value to each transaction by working with some of the top national people in the real estate market.

In summary, while some would say that the use of a mortgage broker is an additional cost to a project, I would say that it really is a value-added to the transaction. The range of lenders, the range of product types, and most of all, the expertise of the mortgage broker in structuring the deal and maximizing the loan dollars is well worth the "cost" that translates to more dollars and a better deal.

Sidney Spiegel is vice president commercial division at NE Moves Mortgage, Waltham, Mass.

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