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Harrington of HKS Capital Partners arranges \$16.5 million financing for a multi-residential property

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HKS Capital Partners has arranged \$16.5 million in financing for a multi-residential property. Jonathan Harrington, a partner and co-founder at HKS, arranged the loan from New York Community Bank on behalf of BRT General Corp with a term of seven years and a 3.5% rate.

The property, Brookview Commons, located at 30 Crosby St., was originally built as student housing for Western Connecticut State University. The borrower will use this transitional loan, Harrington said, to further the process of converting the property from student to free-market housing.

"They were building it as a condo play originally," said Harrington. "We did the construction loan with Principal Life, and they were approached by the university in 2007 maybe."

According to Harrington, the university originally wanted to buy the building, but due to the financial crisis, it softened on that idea.

Now the 115-unit, 105,000 s/f building's five stories have a mixed tenancy. There are free-market tenants on the top two floors and students on floors one through three. The fact that BRT is well known, with a proven track record in the area, may have contributed to NYCB's willingness to do the non-recourse loan for a building that has a student-housing component.

"There are not very many banks that would do this," said Harrington. BRT's other rental properties include Spring Ridge at 124 Coalpit Hill Rd. and Park Ridge South at 28 Rose Ln.

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