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Cornerstone Realty Capital arranges $18.4 million in financing

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Marlborough, MA Cornerstone Realty Capital arranged $18.4 million in financing for the acquisition of a garden style apartment community on behalf of True North Capital Partners. Paul Natalizio, president of Cornerstone Realty Capital, arranged the financing.

Paul Natalizio

The property, called Harrison Arms, features a total of 109-units with a mix of 48 one-bedroom, one-bathroom units and 61 two-bedroom, one-bathroom units. Each unit is equipped with air conditioning, while some units also feature private porches. All units will be undergoing renovations, which will include updating the flooring, installing in-unit washers and dryers, and upgrades to the bathroom. Upon completion, all kitchens will feature granite countertops, new backsplashes, and new appliances.

The general property will also undergo renovations, including modernizing the common areas, adding a grilling station to the pool area, replacing the playground and cleaning up the dog run area. Tenants will enjoy the ample amount of parking with a total of 120 surface spaces, about 1.1 spaces per unit.

Jeff Bruce, managing director and founder of True North Capital Partners, said, “Harrison Arms has tremendous potential for renovation and repositioning upside given its commuter-oriented location between Worcester and Boston in the Marlborough sub-market which is already experiencing its own strong growth dynamics. As they have been on so many previous transactions, Cornerstone was an essential partner in both financing and broader advisory in realizing our value-add strategy for this property.”

Cornerstone was able to deliver a financing structure fixed at closing for 75% of the acquisition and 100% of the renovation budget. The structure offers our client 36 months of interest only which will allow them time to complete renovations and reposition the asset. Upon stabilization the loan will convert to a 30-year amortization.