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## Cornerstone Realty Capital arranges \$12.6m for acquisition of two apartment properties in Fall River, MA

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Fall River, MA Cornerstone Realty Capital arranged \$12.6 million for the acquisition of two apartment properties. Between the two, there are a total of 155 units with one property consisting of 107 units and the second property consisting of 48 units. The unit mix between the two properties contains 22 one-bedroom, one-bathroom units, 58 two-bedroom, one-bathroom units, 70 two-bedroom, one-and-a-half-bathroom units, one three-bedroom, one-and-a-half-bathroom unit, and four three-bedroom, two-and-a-half-bathroom units.

The first property is a renovated historic cotton textile mill with 15 different floor plans ranging in size from 721 s/f to 1,761 s/f. The property provides parking with 205 surface spaces and 26 garage spaces available to tenants. Each unit features an electric range stove, dishwasher and in-unit washer and dryer hook ups. The property's amenities include a resident lounge, indoor swimming pool, fitness center, patio area with a grilling station, a community garden and additional storage space free of charge.

The second property consists of four buildings. Here, the units on the second and third floors feature private balconies while all units feature electric range stoves, a dishwasher and full refrigerator. The property also includes parking with 79 surface spaces available to tenants, about 1.65 spaces per unit.

Patrick Brady, vice president of Cornerstone, said, "The market for lending in Fall River is vibrant and very competitive. The portfolio required two separate executions, as the sponsors had different financing goals at each asset. Border City Mills was well kept by the previous owner, and we were

able to secure 80% of the purchase, a very low 10-year fixed rate through an interest rate swap with three years of I/O followed by 30-year amortization. River Grove stands to improve from the sponsors implementing a value-add program, which we were able to secure 80% of the purchase plus 100% of the planned capital improvements, a competitive 7-year fixed rate balance sheet product with 3 years of I/O, followed by 30-year amortization with no prepayment penalty. Both executions were underwritten, closed and funded simultaneously for the portfolio acquisition, and have provided the sponsors the capital structure they need to execute their business plan.”

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