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Hunt Real Estate Capital provides a \$13.2 million Fannie Mae DUS loan

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Boston, MA Hunt Real Estate Capital has provided a Fannie Mae conventional loan in the amount of \$13.2 million to finance the acquisition of a multifamily property.

The property, 16 Westland Ave. Apartments, is a 55-unit, mid-rise apartment community that was built in 1910 and is comprised of 19 efficiency units, 12 one-bedroom apartments, 23 two-bedroom units, and one three-bedroom apartment. The property, which sold for \$24 million, has been 100% occupied since 2016 and 40% of the units are currently leased by students.

The borrower is Serone Westland LLC, backed by key principal Christopher Thomson, managing director, Serone Asset Management U.S. Corp., and managing principal, Multifamily Acquisition Advisors, LLC. The property was acquired from John A. Cappola and Martha Stone Harley, as trustees of Chandler Trust Two and 16 Westland Ave Associates, LP in an arm's-length transaction. The loan term is 10 years with full interest-only payments. Yield maintenance will apply during the first 9.5 years with a 1% prepayment thereafter with the last 90 days open.

"16 Westland Ave. Apartments is located in the Longwood Medical and Back Bay neighborhoods of Boston, two of the most thriving medical and academic communities in the world," said Charlie Cole, director at Hunt Real Estate Capital. "The property is just steps away from the Rose Garden and is bordered by an academic mecca, which includes Northeastern University, Boston University, Wentworth Institute of Technology, and Berkley College."

"As the healthcare and education capital of the U.S., we believe Boston is perhaps America's best multifamily market. The fundamentals are off the charts," said Thomson. "Our value-add strategy aligns with what we believe is an important phase of the investment cycle in Boston, giving residents a middle-ground between beautiful, older, and well-located buildings with dated interiors and newly built high-rises with much higher rents."

The property was renovated in 2012 and has been well maintained by the previous owner. Despite this, the borrower plans to invest \$1.46 million in capital improvements, including interior and amenity upgrades.

"As the 10-year treasury continued to drop to historically low rates, Mr. Thomson was able to lock a sub-3% interest rate that far surpassed even his most optimistic expectation," said Cole. "He is very excited to close on this asset, which is just a short walk from Fenway Park. This is the second loan Mr. Thomson secured from Hunt Real Estate Capital for an asset in the Boston market."

"With the help of a great team at Hunt Real Estate Capital, we were able to lock into an extremely attractive financing package that adds value to the transaction, and in a challenging environment," said Thomson.