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Becker of Lument arranges \$45.9 million refinancing for 156-units at Tockwotton on the Waterfront

February 11, 2022 - Rhode Island



Tockwotton on the Waterfront - 500 Waterfront Drive - East Providence, RI

East Providence, RI Lument closed a \$45.9 million FHA Sec. 232/223(a)(7) loan to refinance Tockwotton on the Waterfront, a 156-unit seniors housing and care community at 500 Waterfront Dr. Senior managing director Aaron Becker led the transaction for Lument.

Aaron Becker

“By leveraging our FHA expertise, we were able to significantly lower Tockwotton’s interest rate to generate nearly \$250,000 in annual debt service savings, augmenting the \$1.1 million in savings initially obtained when we helped with the prior FHA refinance in 2016,” said Becker. “The additional cash flow freed up by this transaction will allow Tockwotton to continue their mission of serving residents as a nonprofit company.”

The FHA 223(a)(7) loan refinances an existing FHA 232/223(f) loan with a low, fixed interest rate and 35-year term. In addition to reducing debt service payments, the successful closing funds replacement reserves that will ensure the long-term viability of the community.

In the wake of property performance challenges following the pandemic, Tockwotton has steadily improved its occupancy rate over the past year, with the assisted living component rising nearly 15% since May of 2021. When averaged with the current 100% occupancy rate for the skilled nursing units, Tockwotton's overall occupancy is 86.5%.

Tockwotton consists of 52 skilled nursing beds, 73 assisted living units, and 31 memory care units. It is independently owned and operated by nonprofit Tockwotton Home, Inc.

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