



nerej

Brady Capital Advisors arranges \$29.5 million acquisition financing of Northgate Apartments - a 179-unit, garden-style, multifamily property

June 10, 2022 - Rhode Island



3 Admiralty Drive, Northgate Apartments - Middletown, RI

Middletown, RI Brady Capital Advisors, LLC (BCA) has arranged and facilitated \$29.5 million in acquisition financing for the Northgate Apartments, a 179-unit, garden-style, multifamily property located on 15 acres at 3 Admiralty Dr. for a closing that took place on May 31, 2022.

BCA arranged financing on behalf of the owners, SFMG, who are an investment, development, and management firm with 1,500 apartment units under ownership and management across New England. BCA was able to originate a fixed-rate acquisition loan of \$27.5 million, representing 73% loan-to-purchase, plus construction financing in the amount of \$2 million to facilitate a value-add reposition and stabilization of the asset.

“This transaction represented a successful maneuvering of the capital markets landscape amidst the backdrop of economic uncertainty. The U.S. 10 Year Treasury increased over 100 basis points during underwriting, the largest increase in a 2-month period in over a decade. Nevertheless, there was a tremendous amount of appetite for the deal from local, regional and national lenders, and the borrowers enjoyed the fruits of our marketing process. We delivered ultra-competitive pricing and an aggressive structure that featured 75% loan-to-cost, as well as a rate that locked at term sheet signing and was held until closing,” said Patrick Brady, president of Brady Capital Advisors. “In a

time where debt markets were under significant pressure, it was refreshing to have a lending partner remain steadfast and committed to our clients and to the transaction.”

The lender, a community bank with a regional presence, offered a 10 year fixed rate, with two years of interest only followed by 30 year amortization, and a flexible prepayment structure.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540