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## **Love Funding secures \$2.442M financing for senior housing property**

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Love Fundings' Boston office closed a \$2.442 million refinance loan for a senior housing property. Leonard Lucas, first vice president and senior loan originator, completed the transaction.

Lucas secured the loan for Casa Edad de Oro, a 36-unit, not-for-profit, Section 8 elderly housing development. The property was built in 1990 pursuant to the HUD 202 program. The existing mortgage had a \$2.121 million balance and carried an 8.375% interest rate. Lucas employed the HUD 202/223(f) program; raised funds for needed property repairs and improvements; lowered the interest rate from 9.25% to a new fixed-rate of 5.9%, with a 35-year amortization period and reduced the annual debt service payment by \$8,117.

The non-profit borrower used mortgage proceeds in excess of the original mortgage balance to pay for all the costs associated with the transaction and substantially increase an almost depleted Replacement Escrow Account. The borrower was also able to make many needed repairs and desired improvements to this 17-year old property, which included acquiring an adjoining land parcel that will be used to provide much needed resident parking. Love Funding acknowledges the assistance provided by the Local Initiatives Support Corporation and the Hartford Foundation for Public Giving in the form of a loan to the borrower so that it could meet pre-closing costs associated with and included in the HUD loan.

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