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## Brady Capital Advisors arranges \$31 million financing for Pondsview Apartments

March 22, 2024 - Front Section



Billerica, MA Brady Capital Advisors, LLC (BCA) has arranged and facilitated \$31 million in acquisition financing for the Pondsview Apartments, a 174-unit, garden-style, multifamily property located on 4.5 acres at 13-27 Kenmar Dr. for a closing that took place on February 15.

Patrick Brady

BCA arranged financing on behalf of the owners, Fren Management, 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 \$27.625 million, representing 66% loan-to-purchase, plus construction financing in the amount of \$3.5 million to facilitate the value-add reposition and stabilization of the asset.

“This transaction truly represented a story we’ve all become too familiar with – the rollercoaster that is today’s interest rate environment. The deal went under contract initially in May of 2023 when the 5 Year UST was 3.20%; fell out of contract in July after rates ran over 100 basis points; went back under with a price adjustment in August, and fell out again in October when rates hit their peak. Seemingly against all odds, a deal was put back together and cooler heads prevailed. With that said, the steadiest hand of all throughout the transaction was our lending partner. The interest reserve might have fluctuated throughout the process, but their unwavering commitment to getting this deal closed did not,” said Patrick Brady, president of Brady Capital Advisors. “We were able to

deliver our client almost 70% loan-to-cost with competitive pricing, and we never had to think about execution risk. On a transaction like this with so many ups and downs, if nothing else, it was certainly one less thing to worry about.”

The lender, a national bank, offered a five year fixed rate, with three years of interest only followed by 27 year amortization, and a flexible prepayment structure.

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