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CWCapital and Apartment Realty Advisors form ARA Finance

May 06, 2009 - Financial Digest

According to CWCapital, LLC and Atlanta-headquartered Apartment Realty Advisors (ARA), the firms have formed a joint venture-ARA Finance. The national venture will provide a full range of mortgage finance services to ARA clients and will leverage CWCapital's existing multifamily, Agency Lending platform. Boston-based CWCapital is one of the nation's leading licensed lenders and servicers under Fannie Mae, Freddie Mac (in select regions) and FHA; having closed over \$1 billion in multifamily loans in 2008 alone.

The venture marks the beginning of a new era for ARA which has, since its inception in 2003, focused solely on the brokerage of multihousing properties on behalf of an array of institutional, REIT, and private client sellers.

"The formation of the venture is in response to our clients' growing need for financing services" says ARA's chairman, Gary Kachadurian. He said, "Our clients certainly had their pick of any multitude of financing platforms but they made it clear that they wanted ARA to provide the financing services. At the end of the day, this is a natural expansion of ARA's platform where we're enhancing our service delivery model to include the very critical financing component."

Kachadurian spearheaded the formation of the venture along with principal Marc deBaptiste and COO Lisa Robinson. They studied the strategy for over a year and after weighing all alternatives, including starting a platform organically; it was clear that CWCapital has the relationships, infrastructure and financial stability to meet the requirements of ARA's clients.

ARA Finance loan originators are located across the country with key offices in Atlanta, Boston, Dallas and Seattle. With the venture continuously expanding its multifamily platform, future growth is expected.

ARA Finance is managed by the venture's executive committee made up of three CWCapital executives and three ARA executives. The committee plans to recruit a seasoned multifamily lender/manager to serve as COO in Dallas, Houston or Denver. The COO will assist with the growth and future direction of the venture.

Michael Berman, president of CWCapital, said, "We are very pleased to form this partnership and extend our lending platform to the ARA clientele. We feel strongly that our programs and highly experienced staff are the perfect complement to ARA's vast, multifamily brokerage operations and deep client relationships. The CW vertical integration strategy, in which we manage the loan process from application through underwriting and servicing, naturally leads us to new channels which bring us closer to multifamily owners. With both firms committed to growing our platforms while also providing a 'best in class' level of skill and service to our customer, the decision to work together in creating ARA Finance was an obvious one."

Atlanta-headquartered Apartment Realty Advisors (ARA) is the largest privately held, full-service investment advisory firm in the nation that focuses exclusively on the brokerage, financing and

capital sourcing of multihousing properties including conventional, affordable, seniors, student, distressed assets and multihousing land. ARA is comprised of the country's top investment professionals who leverage a unique and fully integrated cooperative business platform of shared information, relationships and technology driven solutions. ARA's unified enterprise approach ensures that clients are delivered the broadest asset exposure, effective matching of buyers and sellers, and the shortest transaction timeframes in the industry.

CWCapital has been a leader in national, multifamily finance since its formation in 1972. The firm closed over \$1 billion in multifamily loans in 2008 and currently manages a servicing portfolio of \$10 billion in loans in 48 states. The CW family of companies, which includes CWCapital Investments and CWCapital Asset Management, employs approximately 300 employees in 11 offices located across the country, and controls approximately \$174 billion of CMBS Special Servicing and sub-investment grade CMBS.

OtÃ©ra Capital, a Montreal based mortgage lender, holds a majority interest in CW. OtÃ©ra Capital is the real estate financing subsidiary of the Caisse de depot et placement du Quebec, the leading institutional fund manager in Canada with more than \$100 billion of assets under management.

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