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Lucas of Love Funding originates \$1.1 million HUD 232/223 loan for skilled nursing facility in Houlton, Me.

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Love Funding recently closed a \$1.1 million HUD 232/223(f) loan to finance the acquisition of a skilled nursing facility. Love Funding is a fully approved LEAN HUD lender; however, this loan was started under HUD's MAP processing. Leonard Lucas, a Love Funding first vice president - senior originator based in Boston, originated the transaction.

Love Funding closed the loan to finance MAAKF, Inc.'s acquisition of the Gardiner Healthcare Facility, a 55-bed skilled nursing and residential care facility. The property, originally built in 1963, sold for \$950,000, \$17,273 per bed. Lucas secured the \$1.1 million loan through and with the cooperation of the Manchester, N.H. HUD office. The non-recourse loan represents a loan-to-acquisition cost ratio of 116% because the loan also provided \$155,000 for property improvements and funded all finance-related costs. The loan-to-value ratio is 85%, and the loan carries a 6.15% interest rate for the 35-year, self-amortizing term. The debt service coverage ratio, including the .5% MIP (mortgage insurance premium) is 1.38%.

Lucas joined Love Funding's Boston office in 1998. He originates direct loans for Love Funding in its capacity as an FHA MAP/LEAN lender. He also advises borrowers in all sectors of the senior housing industry, including age-restricted apartments, independent living, assisted living and skilled nursing, on the type of financing vehicle best suited to meet the borrower's immediate needs. In those situations where an FHA execution is not the most appropriate, he relies upon his extensive knowledge of senior housing financing vehicles and lenders to place the loan with the appropriate lender. Lucas is a member of the Massachusetts Bar Association. He holds a J.D. from the New England School of Law and an A.B. (economics) from Kenyon College.

Love Funding is one of the Love Cos., an investment holding company with origins dating back to 1875. Love Funding commenced mortgage-banking operations in 1984 and serves clients across the U.S. from its offices in Atlanta, Boston, Chicago, Cleveland, Dallas, Detroit, Knoxville, New York, Palm Beach, St. Louis and Washington D.C. The company offers refinance, construction, and acquisition financing programs for multi-family, retail, office, industrial, hospitality, senior housing, healthcare facilities, and special purpose properties. Love Funding's lending sources include CMBS firms, life companies, FNMA, FHLMC and FHA.

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