



Beech Street Capital secures \$8.9 million FHA loan

April 23, 2012 - Financial Digest

According to Beech Street Capital, LLC, it has provided an \$8.9 million HUD 223(a)(7) loan to refinance Arcadia Nursing & Rehabilitation Center, a 128-bed skilled nursing facility. The transaction was originated by Joshua Rosen, executive vice president of Beech Street. Working from Beech Street's Chicago office, Rosen leads the company's nationwide healthcare efforts.

The borrower had 28 years left on an existing \$9 million FHA loan. Beech Street accomplished an important goal for the borrower by increasing the loan term to 35 years, something that is becoming increasingly rare with HUD.

By extending the loan term, Beech Street was able to refinance the property with substantial debt service coverage savings to the borrower and further increased savings with a significantly reduced interest rate. Beech Street also skillfully managed the underwriting process, which allowed for a seamless and expedited closing. "Beech Street was an absolute pleasure to work with," according to Mike Gabriel, principal of Arcadia Retirement Community, Inc. "A term extension was absolutely essential for us, but we understand that they are not frequently granted. We were thrilled when it came through."

Beech Street expects to see more refinance activity in the seniors market in the coming year. "The conditions are really favorable right now for anyone with a current HUD-insured mortgage to refinance under Section HUD 223(a)(7)," Rosen said. "Not only are rates at all-time historical lows, but HUD has all but eliminated the (a)(7) queue."

Beech Street Capital, LLC is a mortgage banking company engaged in originating, underwriting, closing, and servicing high-quality multifamily mortgage loans for existing and proposed apartment buildings and manufactured home communities throughout the United States. Beech Street is a Fannie Mae DUS[®] lender, a Freddie Mac Program Plus[®] Seller Servicer, and an FHA MAP and LEAN lender. Headquartered in Bethesda, Maryland, Beech Street has offices in California, New York, Massachusetts, Illinois, Texas, Georgia, Alabama and Washington.

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