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Kapahi of HKS secures $30 million acquisition loan; Provided by Signature Bank

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HKS Capital Partners LLC secured the lender, Signature Bank, to provide a $30 million acquisition loan to finance Simon Development Group's purchase of a rental building on the Upper West Side.
60% of the 180 units at the property, located at 166 West 75th St. between Amsterdam and Columbus Aves., were vacant at closing.
"The high level of vacancy made the deal tricky, but the attractive location and the sponsors plan to renovate the building helped the parties execute and close the transaction in just 60 days," said Ayush Kapahi, a partner at HKS who close the deal.
According to Kapahi, the loan has a three -year term and a fixed interest rate of 3.75%. Simon Development bought the building for $43 million. The loan-to-value ratio is 70%.
"The short term of the financing allows the borrower to get the building fully occupied and stabilized, and then either refinance or sell," said Kapahi.
Also, HKS closed following transactions:

* A $6.74 million one-year bridge finance loan at 6% on six properties, all vacant land in the Bronx and Westchester. Kapahi negotiated this transaction.
* A $3.7 million, non-recourse ten-year fixed rate loan at 4.7% with substantial cash-out on an existing nine-unit, 14,800 s/f commercial retail property in the Bronx. Rex Grasso negotiated this transaction
* A $2.55 million five-year fixed loan at 3.25% on a five-story, mixed-use building consisting of one ground floor retail and eight railroad style residential units on the Upper East Side. The borrower was able to vacate the building, gut renovate the units with high end finishes, and cash out his equity to fund the purchase of a new building. Michael Lee negotiated this transaction.
* A $2.3 million five-year blanket mortgage loan at 3.25% on four separate buildings in Brooklyn, each with five - seven units. Jakub Stern-Szczepaniak negotiated this transaction.
* A $1.35 million five-year fixed refinance at 3.125% on an existing eight-unit multifamily property in Brooklyn. The borrower was able to acquire the property at an off-market price, gut renovate the units and common areas, and lease up at market rents. Within six months of purchase, the borrower was able to cash out his equity to purchase another building. Lee negotiated this transaction.