



nyrej

Hunt Mortgage Group refinances multifamily properties—\$21.5 million

April 14, 2017 - Front Section

Dallas, TX Hunt Mortgage Group provided a first mortgage bridge loan to finance the acquisition and renovation of two multifamily properties. The loan was provided to the same sponsor and totaled \$21.5 million.

The borrower is Iliad Realty Group, backed by key principal Elliott Aronson. The loan was structured with an initial funding of \$18.245 million and future fundings that total \$3.241 million. The loan is a 24-month floating rate loan with three one-year options to extend the loan term.

The properties involved are North Park Terrace, a 309-unit garden-style multifamily complex located at 8662 Park Ln. and Pecan Tree Apartments, 3001 Kendale Dr., 174-unit garden-style multifamily complex.

The borrower is planning a \$3.24 million capital improvements plan.

At Pecan Tree Apartments, the plan is to renovate 117 units and implement exterior improvements including the parking lot, stairwells, roof, concrete, fencing, drainage, paint, signage, and other items. At North Park Terrace, approximately 134 units will be renovated including all the down and vacant units plus additional 50 units that are currently occupied. The exterior improvement plans for North Park are the same as for Pecan, with larger dollar amounts being allocated to the roof, mold remediation, and drainage. The remaining units at both properties are in good condition or have received partial upgrades over the years.

“We received the application on December 5th and closed it on the last day of the year,” said Bryan Cullen, managing director with Hunt Mortgage Group. “This involved a full commitment from our Proprietary Loan Group (PLG), and required a sophisticated borrower team that included Sal Torre of Estreich and Company.”

“Elliott Aronson of Iliad Realty is a repeat Hunt Mortgage Group client. In early 2015, we provided a 10.5 million bridge loan for the acquisition and renovation of Surrey Row Apartments, a 436-unit multifamily property located in Dallas,” said Cullen. “This deal included an extensive renovation budget of \$1.18 million. Elliott successfully completed the renovation and refinanced the bridge loan in July 2016 through Hunt Mortgage Group. The property was rebranded to Magnolia Creek and the loan is currently performing well.”

Torre said, “We came back to Hunt Mortgage Group after recent success on another Dallas transaction that Iliad purchased with a Hunt bridge and recently refinanced with a Fannie Mae permanent. We are anticipating a similar success on these two properties.”

Iliad Realty has acquired and successfully repositioned 22 apartment communities totaling over 6,500 units in Texas. The Sponsor specializes in value-add acquisitions of properties of similar vintage to the subject.

“We were pleased to partner again with this solid repeat investor and support his efforts to reposition

two Dallas multifamily properties,” said Cullen.

Hunt Mortgage Group, a wholly owned subsidiary of Hunt Companies, Inc., is a leader in financing commercial real estate throughout the United States. The Company finances all types of commercial real estate: multifamily properties (including small balance), affordable housing, office, retail, manufactured housing, healthcare/senior living, industrial, and self-storage facilities. It offers Fannie Mae, Freddie Mac, HUD/FHA in addition to its own Proprietary loan products. Since inception, the Company has structured more than \$21 billion of loans and today maintains a servicing portfolio of more than \$12 billion. Headquartered in New York City, Hunt Mortgage Group has 189 professionals in 20 locations throughout the United States.

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