



Outside the Region: Herzka, Hirsch and Karpel of Meridian Capital Group advise Harbor Group Int'l. on \$1.8 billion acquisition; Financing sourced through Berkadia and New York Community Bank

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Washington, DC Meridian Capital Group served as the exclusive debt capital markets advisor to Harbor Group International (HGI) on \$1.4 billion in acquisition financing for its \$1.8 billion purchase of a 25-property multifamily portfolio located in the metro area, PA, MD, IL, MA and NJ.

Meridian arranged an innovative and highly-tailored financing package that afforded HGI a multi-tiered solution addressing its business plan for each asset. The financing consists of a combination of Freddie Mac fixed- and floating-rate debt sourced through Berkadia as well as five-year, fixed-rate, balance sheet financing provided by New York Community Bank. Ralph Herzka, Meridian's CEO, led a team that included senior managing director, Abe Hirsch and managing director, Zev Karpel.

"HGI hired Meridian to arrange a highly-customized solution. We canvassed a broad array of lenders and experimented with different loan structures, ultimately arriving at optimized solutions addressing HGI's business plan for each asset," said Herzka.

"These are excellent cash-flowing assets in premium, supply-constrained East Coast markets. We applaud HGI on this transformative transaction and feel honored to have partnered with HGI on this landmark debt package," said Hirsch.

The Beacon Portfolio comprises 25 multifamily properties totaling a combined 9,677 residential units in major metropolitan areas, near public transportation and within desirable school districts. Because of location and strong management, the properties boast high tenant retention and should continue to benefit from high economic barriers to entry, stable job growth and limited new development of competing properties.