



Randolph, Alonso and Taseff of KeyBank close \$127 million FHA 232/223(f) financing

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Manhattan, NY KeyBank Real Estate Capital has secured \$127 million in FHA 232/223(f) financing for Upper East Side Rehabilitation and Nursing Center, a five-star CMS rated 499-bed skilled nursing facility at 211 E. 79th St. The transaction is one of the largest single-asset financings ever insured by the U.S. Department of Housing and Urban Development within the FHA 232 program.

The FHA loan proceeds were used to pay off an interim acquisition bridge loan provided by KeyBank and a syndicate of lenders and to fund over \$7 million in capital expenditure improvements made to the property.

“This transaction is another fine example of how KeyBank’s fully integrated balance sheet and permanent platform delivers healthcare real estate sponsors a seamless, one-stop-shop, bridge-to-FHA execution,” said Henry Alonso, senior vice president and senior banker at KeyBank.

John Randolph, KeyBank

Henry Alonso, KeyBank

The financing team consisted of John Randolph from Key's FHA Commercial Mortgage Group and Alonso and Brandon Taseff from Key's Healthcare Group, who have collectively spent 50 years serving clients in the seniors housing and care industry.

The attorneys on the deal were Michelman & Robinson, LLP's (M&R) health care transactional partner Mark Zafrin and real estate partner Mark Frimmel. KeyBank was represented by Matthew Porter of Vorys, Sater, Seymour and Pease LLP (Washington, D.C.) Of note, Zafrin and Frimmel handled the purchase of the property back in 2015.

Zafrin said, "Mark and I have closed many a transaction in the health care space, but this one is particularly special given its size. Never before has HUD insured a loan on a single structure north of \$125 million, and it's our honor to have been involved on behalf of our client and M&R."

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