



Hunt Real Estate Capital provides a \$5.2 million Freddie Mac loan

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Bronx, NY Hunt Real Estate Capital provided a \$5.2 million Freddie Mac Small Balance Loan to refinance a multifamily property located at 295 East 149th St.

The property is a six-story walk-up, mixed-use apartment building containing 22 residential units and three ground-floor retail units with a combined 975 s/f. The residential tenancy is 95.45% occupied, and the retail tenancy is 100% occupied.

The borrower is 295 E 149 LLC. The transaction is a 5/15 Hybrid ARM with a loan term of 20 years. Repayment will be based on a 30-year amortization schedule, and the interest rate will automatically convert to a floating rate after the initial fixed-rate period of five years.

The 295 East 149th deal was brought to Hunt Real Estate Capital by broker Allan Lieberman, managing director at Meridian Capital Group.

“The borrowers purchased the property in September of 2016 and invested approximately \$580,000 in capital expenditures and tenant buy-outs since acquisition,” said Steven Cox, senior managing director at Hunt Real Estate Capital. “All of the property’s residential units are rent stabilized and regulated under the NYC Rent Guidelines Board.”

New rental regulations will take effect on October 1, 2019 and be in effect through September 30, 2020. They will allow for a 1.5% increase for a one-year lease and a 2.5% increase for a two-year lease. Tenants in place will receive automatic renewals.

“The borrower was able to capitalize on an attractive interest rate and pay off their existing loan, which was maturing in September,” added Kristian Molloy, Vice President at Hunt Real Estate Capital.

The property is situated on a 0.09-acre of land and is located in a well-established, densely populated residential neighborhood. The three retail units are occupied by Franco’s Restaurant, Do Luc Van Nail Salon, and Bah Alphadio Gift Shop. The property was built in 1905, and the unit mix consists of one one-bedroom, one-bathroom apartment; 14 two-bedroom, two-bathroom units; and seven three-bedroom, three-bathroom units.

The property is located within the South Bronx submarket, 5.5 miles north of Midtown Manhattan.

