



Eastern Union arranges \$53.745 million for four commercial properties

May 18, 2021 - Front Section

New York, NY Eastern Union, one of the country's largest commercial real estate finance firms, has arranged financing totaling \$53.745 million for four commercial properties in New York and Florida. The transactions were arranged by Eastern Union managing partner Abraham Bergman and vice president Yossi Orzel.

The first transaction was a \$28 million construction loan for a 159-unit, condominium project in Monroe, N.Y. The loan carried a 75% loan-to-cost ratio over a 24-month period.

The second deal, also in Monroe, provided \$5 million in financing for a 26-unit, fractured condominium property that is coming out of construction. The 12-year, fixed-term mortgage carried five years of interest-only payments and was set at an interest rate of four percent. Financing for this relatively complex transaction carried a 75% loan-to-value ratio.

"Negotiating the right deal for a fractured condo transaction poses special challenges because many lenders simply don't engage with this particular asset class," said Orzel. "Nonetheless, Eastern Union succeeded in securing a loan that catered to the borrower's specific needs."

A third transaction secured \$11 million in financing for a mixed-use property in Brooklyn, N.Y. The deal—which factored in the commercial rent—carried a fixed 3.2% interest rate over a ten-year period, with interest-only payments due for the first five years.

The fourth transaction supported a 160-unit, Low-Income Housing Tax Credit (LIHTC) property in Immokalee, FL with a ten-year fixed loan valued at \$9.745 million. Interest was set at 3.22%, with one year of interest-only payments, despite the fact that the site had less than three years remaining on its federal LIHTC agreement. Financing carried an 83% loan-to-cost ratio.

"It takes deep knowledge of the marketplace to pinpoint lenders for complex structured transactions, or who'll finance assets whose federal tax benefits are about to expire," said Bergman. "Eastern Union enjoys a growing reputation for identifying funding sources for challenging deals like these."

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