



Cronheim secures 75% LTC, 3-year fixed-rate construction financing for Class A multifamily

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Edinburg, TX Cronheim Mortgage has secured a 75% LTC, three-year fixed-rate construction loan for the development of a 200-unit, Class A, resort-style multifamily complex dubbed, "Las Villitas." The \$18.3 million financing was closed with a regional bank and features a 36-month interest only period followed by a 12-year term. The property is a part of a larger master-planned mixed-use development by the sponsor, walking distance from what will be Class A retail amenities. The subject is located in the McAllen-Edinburg MSA, minutes from the University of Texas Rio Grande Valley and its expanding medical school.

The sponsor, Verturo Interests, is a vertically integrated development and management company based in McAllen, TX. Verturo self-GC's their developments, consistently delivering attractive bases to investors. The sponsor is one of the Rio Grande Valley's most prominent developers and has charted a path of growth throughout Texas.

David Poncia of Cronheim Mortgage said: "It is as difficult as ever to procure construction financing right now. Given turmoil in the banking world and the repricing of deposits, a lot of banks are stepping away from new lending opportunities. We immediately knew who to target for this project, on both a regional and local level, and executed with a Southwest banking relationship Cronheim has cultivated for the last several years. The trust we've developed with our lending partners is paramount in times like this. Our Sponsor received the top-notch terms they deserve."

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