

## Loans for Multi-Family Construction and Commercial Real Estate



We represent many multi-family and commercial lenders for Construction Purchase, Rehab, and Cash-Out Refinance and offer some of the most competitive rates and terms in the industry. Some are owned and operated by banks that specialize in the multi-family market nationwide. We also offer loans for you, with no broker fees from our company.

**Have a working relationship with your banker, and do not care to consider other options?**

**Please read.....**

All bank loans are not created equal. If you are looking to finance your apartment building or commercial real estate with your local bank, so you think there is no reason to use an intermediary, think again. Banks each have their own niches, especially when you are talking about the differences between community banks, credit unions, regional banks, and national institutions. Some banks offer fully amortizing loans, others cap amortizations at 20 years. Your favorite bank may cap leverage at 70% whereas one right down the street, that you didn't know about, is comfortable financing multifamily properties at 80%. Maybe you need a floating rate bridge loan, a commercial mortgage with no prepayment penalty like yield maintenance or defeasance. Perhaps you have some documentation constraints. For the above reasons, you need to work with an intermediary that has hundreds of banking relationships and that can leverage those relationships to your benefit. For the same reasons as those above, are why you want to look at bank financing as an option and not rule it out just because you qualify for a CMBS, Fannie, or Freddie loan.

### **Sample Bank Terms for Apartment and Commercial Property Terms as of March, 2016**

Size: \$2 million to more than \$50 million

Term: Up to 30 years

Interest Rates: 4.25% to 5.75% fixed      From 2.30% floating over LIBOR

Amortization: Up to 30 years

Maximum LTV: 75%

Minimum DSCR: From 1.20

Interest-Only Period: Partial-term and full-term available

Fixed-rate and floating-rate loans available

## **Streamlined Market-Rate Construction Financing**

Banks are really pulling back on leverage and quite full on construction financing. HUD is not. HUD financing is available for market-rate properties (not just affordable properties).

Fixed rates start at 3.75% (plus PMI).

Rates are fixed and interest only for up to 3 years during construction and lease-up.

Rates are fixed for 40 years after the construction and lease-up period.

Leverage is available up to 85% LTC.

If you have owned the land for more than 3 years, you can contribute it based on its as-is value.

If you don't have HUD experience, you can supplement that with a HUD experienced GC and Architect.

It's not really as bad as you think.

Non-recourse for the life of the loan, including during construction.

Closing is usually in 7-10 months.

Third party reports and fees are higher than those of bank construction loans.

Lots of hoops and red-tape to jump through (which we are experienced with).

2 year lockout, followed by 8-year step-down prepayment penalty (don't expect to refinance or sell unless someone is assuming the loan).

### **The Bottom Line**

With bank balance sheets filled up, and senior debt terms becoming less and less attractive, it may be the right time to look at an alternate source for financing. Because of the recent reduction in leverage, a HUD insured loan may be able to reduce the need for more (expensive) equity. With high leverage, no recourse, and long amortizations, HUD continues to offer the most aggressive financing terms in the industry for developers with plans for a long-term hold.

**Open the links below to review details, contact us, or submit your loan request.**

### **Bank Rate Loans for Multi-Family Construction, Rehab, Purchase, Re-Finance**

Multi-Family and Commercial Construction Financing is back again, and terms are more competitive than ever. As well as competitive rates and terms for Commercial Purchase, Rehab, and Cash-Out Refinance.

Sometimes a loan doesn't fit into a cookie-cutter scenario. Although the days of 110% LTV loans are behind us, it doesn't mean that complex finance is. Whether you're buying multifamily land and need a mezzanine loan on top of your bridge piece or you are seeking preferred equity to shore up a deal, our multifamily lenders may very well have the answer, and funding, you are looking for.

[Multi-Family Loan Submission Form](#)

## **Construction & Development Financing**

Financing is the lifeblood of the construction industry. Acquisition, development and construction lending was a casualty of the recent housing and economic downturn as significant losses on delinquent and nonperforming commercial real estate loans caused many banking institutions to eliminate or severely restrict lending to builders and developers. (National Association of Home Builders)

[Residential Construction](#)

[Residential Construction Submission Form](#)

[Commercial Construction](#)

[Commercial Construction Submission Form](#)

## **Commercial Property Purchase – Refinance**

Loans are available for properties Nationwide for income-producing properties as well as owner-occupied real estate. Whether your objective is to maximize loan dollars, obtain the lowest interest rate, or achieve the maximum in flexibility, we will work with you to achieve your financing objectives through our network of lenders and investors.

Whether you are looking for a long-term fixed rate or short term bridge loan, we will to guide you through the financing process and obtain the product that best aligns with your goals. Regardless of the interest rate environment, you can be assured, through our relationships with lenders nationwide, you will get competitive rates and terms for your loan.

We will assist you in long-term, permanent financing; construction and development loans; bridge loans, or interim financing; equity; transitional financing, for properties lacking their income potential; mezzanine financing, and more.

[Purchase Refinance](#)

[Commercial Submission Form](#)

## **Distressed Debt Financing**

Many distressed real estate owners today are being offered the ability to pay off aging real estate loans at a discount, often with a short closing window. Alternatively, opportunistic investors may be trying to seize upon a fleeting opportunity to purchase assets at prices below intrinsic value at auction or from a seller who values a quick close more than the highest bid price on the asset.

[Distressed Debt](#)

[Distressed Debt Submission Form](#)

**In most cases, we offer loans for you, with no broker fees from our company.**

**Have a quick question you need answered?**

[Contact Us](#)

