

# Success Story: Newly Remodeled Multifamily Complex

A panoramic view of how Arbor grows financial partnerships through successful product executions that deliver results for our clients

## **\$17.8M Bridge-to-HUD Refinancing Rate and Term + Green Benefits**

### **Situation**

The owner of a California apartment community wanted to add 12 new units to a multifamily complex located in the heart of the South Bay region of Los Angeles. This repeat Arbor borrower utilized a short-term, variable-rate bridge loan in part to finance the new units; later, the owner sought to convert their bridge loan to permanent, long-term, fixed-rate financing. The borrower was also interested in exploring how enrolling in green financing could provide additional cost savings.

### **Arbor Action**

Arbor thoroughly examined the borrower's position and cash flow and determined they would benefit most from securing a long-term fixed-rate loan through Arbor's versatile FHA 223(f). We then educated the apartment complex owner about the U.S. Department of Housing and Urban Development's (HUD) green program and how it could benefit them. Next, we worked closely with our partners at HUD to secure our borrower a fixed-rate FHA 223(f) loan with permanent financing that would maximize net operating income (NOI) as the asset accumulates cash flow.

### **Result**

In response to market conditions, Arbor acted quickly. Through our long-standing relationships at HUD, we expeditiously generated a firm commitment for our borrower and closed within 30 days. The entire Bridge-to-HUD process took only 15 months. They received long-term fixed-rate permanent financing to add units to an upscale apartment community, which includes a gym, a swimming pool, and electric solar panels. Our borrower was then able to lock in a highly competitive rate with additional cost savings available through HUD's green program. The accommodation of the 12 new units within the underwriting process went seamlessly, resulting in expeditious execution that eliminated interest volatility and, ultimately, maximize loan proceeds.

Watch our [Success Story video](#) to learn more

# 61

Units

# CA

Torrance

# 1963

Year Built