



## **\$28 Million Refinance Loan Brokered by Spearhead Commercial Capital for a Multi-Family Opportunity in the Houston, TX MSA**

Spearhead Commercial Capital brokered a \$28 million refinance loan for a newly stabilized multifamily opportunity in the Houston, TX MSA. The Borrower is a long-time commercial real estate investor who owns and manages over 2,500 multifamily units around the Houston MSA. All of the assets in their portfolio are long-term holds, B and C class multifamily properties that are self-managed.

For this refinance, the Borrower was looking for financing that avoided CMBS debt due to insurance requirements needed by those lenders in this area. The Borrower also wanted the lowest rate in the market, 70% LTV, 60-day close, 1.15x DSCR on T3. Spearhead Commercial Capital partnered with a regional bank to provide financing through a fixed-rate loan that was syndicated with another regional bank. The loan allowed for a seven-year term with a first-year fixed rate of 2.99%. The Borrower was also not required to supply the bank with any P&I reserves. Instead, they created a covenant to monitor liquidity. This transaction was completed in 57 calendar days, and the servicing bank was able to accept a past appraisal to help expedite the closing and underwriting.

*"We're pleased to help one of Texas's largest multifamily investors refinance their flagship asset, a 362-unit apartment community in the Brompton neighborhood of Houston. We identified this borrower through cold call efforts in early November, and it was discovered that the borrower was not pleased with a national bank loan he had on this property as he felt he was forced into unnecessary insurance requirements. One of our regional bank partners was offering a special rate discount for new relationships brought into the bank by the end of the year, and immediately we went to work on this refinance request; we only had 52 days to complete this transaction. To meet the timeline for end-of-year funding, our lending partners made some exceptions to due diligence requirements by allowing waiving new appraisals and working on past results. The borrower was very excited to have received the lowest rate in the market and that we met the expectations we set forward originally. This was a great way to finish the year for all parties involved!"*

*- Marcus Davis, Partner*

### **About:**

Spearhead Commercial Capital is a commercial mortgage brokering firm in Denver, Colorado. We aim to connect investors to the best financing structure based on investors' specific goals. We have access to a deep network of local, regional, and national lenders. From conventional bank lending to GSEs and private debt funds, our network includes lenders interested in all asset classes: office, industrial, self-storage, and retail. Let us search the marketplace to bring you solutions that save you time and effort and meet your desired loan structure and priorities.

**Connecting Clients to Creative Solutions**