



\$35 Million Acquisition Loan Brokered by Spearhead Commercial Capital for 270 Multi-Family Units in the Tampa Bay MSA

Spearhead Commercial Capital brokered a \$35 million acquisition loan for a value-add opportunity in the Tampa Bay MSA. The Borrower is a long-time commercial real estate investor who owns and manages over 5,000 units across the United States. All of the acquisitions are long-term B and C class properties that receive light tenant improvements.

For this purchase, the Borrower was looking for non-recourse financing that avoided agency debt due to current market restrictions too severe for their investment strategy. The Borrower also wanted the lowest rate in the market, 65% LTV, 60-day close, 1.00x DSCR. Spearhead Commercial Capital partnered with a large national bank to provide financing through a SWAP fixed-term loan. The loan allowed for four years of interest-only payments and another six years after with fixed P&I payments to make for a ten-year fixed loan at 2.95%. The Borrower was also not required to supply the bank with any debt reserves. Rather they created a covenant to monitor their liquidity instead. When the improvements to the building are completed and the rent roll stabilized, the Borrower's recourse will go from 50% guaranteed to non-recourse.

"It was an amazing experience for us to work for one of the largest private multifamily investors in the country on this transaction. The subject property will fit nicely within the portfolio that the borrower has built over the last 40 years. We are excited to have added value and creativity to a borrower whose previous lending relationships couldn't match the terms of the structure we negotiated. Spearhead takes great pride in being consultative and focusing on the investor's strategy to bring not only the best loan terms but the right loan terms to match that strategy. Mission accomplished here as we look forward to earning our keep on future projects as client's portfolio continues to grow." - William Foy, 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 their specific goals. We have access to a deep network of local, regional, and national lenders. We can source the proper debt structure based on your investment 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