

A10 Funds Two-State MF/Retail Buy

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An apartment property in California, part of the four-asset portfolio which A10 financed.

BOISE, ID—A10 Capital has funded loans totaling \$79 million for the acquisition of a multifamily/retail portfolio in two states. The four properties include three class B multifamily complexes in California and Indiana and a class B retail center in Indiana.

“The sponsor is a successful real estate owner,” explains A10 EVP Jared Frothinger, who structured and closed the loans. “They needed a lender who could handle a complex portfolio and close within a very tight timeframe. Working with JP Real Estate Partners, we got comfortable with the assets quickly and crafted both bridge and permanent solutions which addressed specific property situations and closed simultaneously on the specified date.”

At JP Financing, managing director Jay Schiesser says the borrower had “a specific closing date to meet tax-year deadlines and the structure was executed concurrently with a complex ESOP corporate transaction.” Schiesser, who arranged the financing, cites the cooperative nature of the A10’s work across departments; he notes that the team arranged “not just one, but two lending solutions that delivered as promised in every respect. We were very pleased with the overall execution of these transactions.”

The total financing was made up of a \$40-million bridge loan and a \$39-million permanent mortgage. The bridge loan was structured on a non-recourse basis and proceeds were used to refinance two multifamily properties in California and Indiana and the Indiana retail. The bridge loan also provided committed funds for the major redevelopment of the multifamily property in California. The permanent loan was structured on a non-recourse basis with a 10-year term, with proceeds used to fund the refinance of an institutional-quality multifamily property in Southern California.