

FOR IMMEDIATE RELEASE

For More Information:

BCREM CAPITAL, INC.

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NEWS RELEASE – BCREM Capital Arranges a \$73,000,000 Bridge, Refinance Loan for new Los Angeles Luxury High Rise Apartment.

March 29, 2021: LOS ANGELES, CA – BCREM CAPITAL, Inc. arranged \$73,000,000 in financing for a 24-story, 348-unit, luxury market rate apartment in Los Angeles, California.

The financing was provided by one of the largest REIT's in the U.S. with a specializing in construction and bridge loans. The debt was priced floating over LIBOR with a hedge and a initial two-year term, plus three 1-year extensions.

Deal complexities included: opening just prior to the Covid-19 outbreak and the lock-down, which halted leasing for several months. Although the property is generating significant income, BCREM Capital successfully structured a built-in debt service reserve for any shortfall needed. This is a **LIBOR** based loan and contains provisions to allow conversion to a pricing structure consistent with the new **Secured Overnight Financing Rate (SOFR)**.

The ownership structure was complex and included three European based pension funds, EB5 investors and a U.S. based sponsor and developer. All ownership entities utilized separate legal counsel and advisors and the ownership documentation contained provisions for the funds **"End of Economic Life"**.

The BCREM Capital Team included: Edward Ptacek, EVP-Certified General Real Estate Appraiser, Eric H. Better-Head of Originations, Norman Diep-EVP-Chief Credit & Underwriting Officer, Daniel Powers-EVP-New Business Development, and Vaheh Shamirian-AVP-New Business Development.

For More Information or a Loan Quote:

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