



RECOGNIZING AND UNDERSTANDING CLIENT'S GOALS DELIVERS RESULTS

Issue/Challenge

- Multi-family project that required minor rehabilitation
- Property was originally financed with bonds
- Buyer wished to retire bonds with new debt
- Buyer wanted the option to refinance after completing improvements

Resolution

- MMCC recommended short-term option to increase cash flow
- Bond authorities were recognized to retire current bonds
- Secured new loan with a lower interest rate

Shoals Crossing Apartments is located in Atlanta, within an area that is currently gentrifying and in a transitional mode. The property was sold to a local apartment owner who planned on a minor rehabilitation to improve the property. Originally, the property was financed with bonds and the buyer wished to retire the bonds with new market-rate debt. In addition, the buyer requested either a long-term fixed-rate or a short-term floating-rate loan that would allow him the ability to refinance after the improvements were completed.

Marcus & Millichap Capital Corporation (MMCC) is uniquely equipped to maximize each client's opportunities by thoroughly understanding the

investor's goals, analyzing each property and creating a strategy to properly position it. MMCC recommended the short-term option to increase cash flow and allow the new owner time to complete the rehab and stabilize the property. MMCC was able to secure a three-year loan with the first year interest only, and a loan-to-value ratio of 84 percent. With the help of Marcus & Millichap Capital Corporation, the lender was able to work with the different bond authorities to retire the existing bonds and place the new loan. The new loan of \$4.3 million has a current interest rate of 4.30 percent. Again, due to MMCC's relationships with lenders, we were able to deliver on all terms and help the client achieve his goals.