

BEAUMONT VILLAGE | PORTLAND, OREGON

\$6,325,000 | FIXED RATE BRIDGE LOAN | 4% INTEREST RATE | 6 MONTHS I/O



Beaumont Village

PROPERTY DESCRIPTION:

Beaumont Village is a newly constructed (2014), 50-unit multifamily building with two commercial spaces (3,638 sq. ft.), located in Multnomah County in Portland, Oregon. Subject is an "A" quality, 4-story mixed use, mid-rise building situated on .30 acres of land. The building is configured with retail space, storage, and residential units at grade level, and apartment units on the 2nd through 4th floors. The three residential levels have the same layout with an interior common hallway and common stairwells at both ends of the hallway.

Unit amenities include washer/dryer in each unit, high ceilings, hardwood flooring,

ceiling fans, large closets, stainless steel appliances, dishwashers, microwaves, electric ranges, and garbage disposals.

CHALLENGES:

Beaumont Village was an acquisition (1031 exchange) of a newly completed property that quickly reached stabilization of the residential units, however, the two retail tenants had not occupied their space. The sponsor needed a bridge loan to facilitate the acquisition and provide time for the retail tenants to move in, open for business and begin paying rent. Once satisfied, a new permanent agency loan could be placed on the property.

Additionally, one of the sponsor's had a foreclosure within the past ten years and a discounted single family home pay off. BWE was able to assess the overall strength and experience level of the sponsor as well as the reasonable explanations behind the credit issues and fund the bridge loan and ultimately a permanent 10 year fixed rate agency loan.

The bridge loan time frame was extremely tight, 18 days from application to closing. By placing the bridge loan, the sponsor was able to avoid a PSA extension and \$1 MM non-refundable deposit requirement.

OPPORTUNITIES:

BWE's ability to find a short term, low cost bridge loan enabled the sponsor to acquire Beaumont Village and facilitate a 1031 exchange. BWE was then able to place a permanent 10 year fixed rate Freddie Mac loan once the retail space was completed.

DEAL ODDITIES:

The subject was built with no parking spaces on-site. This is typical for this location within Portland as none of the rental comparables have on-site parking due to the close proximity to retail, shopping, and transportation. Subject is located in a pedestrian oriented location.