

MMCC LOAN ORIGINATOR LEVERAGES LENDER RELATIONSHIP TO SECURE OPTIMAL REFINANCE PACKAGE

Challenges:

- The property was an older building with mostly single units.
- The property was located in a C- area with rent control in place.
- The transaction was comprised of multiple borrowers and entities.

Results:

- MMCC loan originator initiated an aggressive program to source a competitive fixed-rate loan without prepayment penalties.
- Leveraged an existing lender relationship to extend interest rate lock without cost in a rising interest rate environment.
- Saved the client a redraw fee of approximately \$550 and .375% in interest rate.

The investors in this Los Angeles apartment property were seeking to refinance their existing loan. The age and location of the property—it was built in 1910 and was in a C- location—were drawbacks, but the primary challenge was presented by the large number of borrowers which included individuals and entities. Because of this, the credit package was extremely large and challenging to complete in a timely manner. A 60-day rate lock was secured, but additional time was required for all parties to execute loan documents.

Furthermore, the loan documents were only good for a certain amount of time, which had expired. However, due to MMCC's relationship with the

lender, the interest rate was extended at no cost in a rising interest rate environment and loan documents were honored. The clients not only saved a redraw fee of approximately \$550, they also saved .375 percent in interest rate. They obtained an aggressive LTV, \$3.5 million loan at an attractive 6.01 percent 10-year fixed rate. The loan, from a well established regional credit union, carried a 30-year term and amortization schedule.

Through MMCC's relationships with regional and national lenders, and the experience and expertise of the firm's loan officers, the owners of this property were able to cash in on the existing low interest rate environment.