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Media Contacts:

Jessica Petrie
612.767.7633
jpetrie@labreche.com

Jessica Morgan
651.332.8502
jmorgan@oakgrovecap.com

Oak Grove Capital Originates \$46 Million in Structured ARM Financing for LIHTC Portfolio in Southern Florida

ST. PAUL, Minn. – (Dec. 28, 2011) – [Oak Grove Capital](#), a leading national provider of [affordable housing](#) real estate financial services, has originated debt financing for a three-property affordable housing portfolio in Southern Florida totaling \$46 million. To originate the financing, Oak Grove Capital utilized Fannie Mae’s Structured ARM product. Each adjustable-rate loan carries a starting rate of approximately 2.55 percent on a seven-year term, and a 30-year amortization with a one-year lock-out and one percent fixed prepayment penalty thereafter.

By utilizing Fannie Mae’s Structured ARM product, Oak Grove Capital provided its customer with low-cost financing, increased cash flow, and significant flexibility in terms of early prepayment or convertibility to fixed-rate financing.

“We wanted to provide our customer with a low-cost solution that would generate the necessary proceeds to purchase the entire portfolio partnership interest while preserving the flexibility to take advantage of market conditions and opportunities in the future,” said Tim Leonhard, managing director of affordable housing for Oak Grove Capital. “This was a very complex transaction that had to close in 60 days and we’re very pleased with the final product and execution that we were able to provide our customer.”

“Oak Grove Capital provided us with the best financing solution for our particular needs and did so under a very tight time frame. The Structured ARM product gave us the proceeds we needed to buy out the existing limited partners’ interest, along with the flexibility to resyndicate each asset as opportunities may arise or to convert to long term fixed rate financing,” said Lou Vogt, principal at Banyan Realty. “This was our ninth transaction with Oak Grove. As always, we were very pleased with the execution they provided and look forward to our next transaction with them.”

About Oak Grove Capital

Oak Grove Capital is a nationwide mortgage lender specializing in affordable and market rate multifamily apartment complexes, seniors housing and healthcare facilities. Headquartered in St. Paul, Minn., Oak Grove Capital services a commercial Loan portfolio in excess of \$7 billion and offers a product line consisting of Fannie Mae DUS®, Freddie Mac, FHA MAP, and GNMA and other commercial real estate funding options. Regional offices are located in Dallas, Tampa and Bethesda, Maryland. For more information visit www.oakgrovecap.com.

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