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## **Oak Grove Capital Finances \$34.2 Million Acquisition Loan for La Palma Apartments in Orange County**

**ST. PAUL, Minn. – Jan. 5, 2012 – [Oak Grove Capital](#)**, a leading national provider of [affordable housing](#) real estate financial services, has originated a \$34.2 million Fannie Mae affordable loan for the acquisition of La Palma Apartments, a 272-unit apartment complex in La Palma, Calif.

The adjustable-rate loan, which was provided to Mariman & Co., carries a seven-year term with a one-year lock-out and a one percent prepayment fee thereafter. By utilizing Fannie Mae’s Structured ARM loan product, and structuring the acquisition as a purchase of partnership interest rather than a fee simple sale, Oak Grove Capital was able to allow the borrower to acquire the property with full leverage financing, which effectively acted as a bridge between acquisition and syndication.

“We were able to allow the borrower to buy the existing partnership interest, which preserved the 10-year rule,” said Tim Leonhard, managing director of affordable housing at Oak Grove Capital. “It also gave them high leverage during the bridge period, and still allowed the borrower to re-syndicate the asset within 30 months from closing without having the burden of yield maintenance penalties on the debt.”

“This was a very complicated transaction in which Oak Grove Capital’s expertise was paramount in getting us the right loan structure,” said Shawn Boyd, vice president and COO of Mariman & Co. “Their thorough knowledge of both debt and equity associated with affordable housing transactions, combined with their exceptional relationship with Fannie Mae, allowed them to give us unparalleled financial advice and service.”

### **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, 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](http://www.oakgrovecap.com).

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