



Quantum Capital Secures Construction Bridge Loan for Office Building Conversion

Beverly Hills, CA, December 12, 2013 | Commercial real estate finance and advisory firm Quantum Capital has secured a \$11,250,000 construction bridge loan for Duns Capital, LLC, an affiliate of South Park Group, to begin conversion of a vacant office building to a residential mixed-use project in the Historic Core neighborhood of Downtown Los Angeles.

The property abuts the Santee Court and Santee Village adaptive reuse projects and shares a private landscaped alley with these developments. This historic, 68,128 SF office building, which was originally built in 1924, is the only property left in this community that has not been converted to residential use.

The construction bridge loan will be used to convert the building's basement to parking and renovate 12,000 SF on the ground level for retail use. The additional stories will be converted to multifamily units under the City's Adaptive Reuse Ordinance.

"This loan is unusual because the buyer did not have their final plans in place at the time of close. Traditionally, you will see a buyer obtain a bridge loan first and then a construction loan afterwards when the plans are finalized. We were able to identify a lender who understands the demand in this market and was confident with the buyer's ability to move forward with the development in a healthy time frame," said Quantum Capital Managing Director Jonathan Hakakha, noting that the lender is a foreign agency bank.

The three year construction bridge loan provides the option for two, one-year extensions, and was priced over LIBOR. 70.00% of the total project cost was financed.

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About Quantum Capital Partners

Quantum Capital Partners (www.quantumcp.com) is a leading mortgage banking firm that provides comprehensive real estate finance and advisory services across all major asset classes. With more than \$3 billion of debt and equity financing experience nationwide, Quantum's principals have developed a diverse network of capital providers that allows their clients to benefit from customized financing structures that encompass the entire capital stack. Quantum's comprehensive knowledge of the capital markets enables them to deliver expert advice for complex real estate transactions.