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EXCLUSIVE

## Office Building Lands \$25M, 85% LTV Loan

By [Kelsi Maree Borland](#) | Los Angeles

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The office building has five-stories and 68,423 square feet.

LOS ANGELES—A Beverly Hills investor has secured a **debt-financing loan** for \$25 million for a class-A **office building** in Beverly Hills, GlobeSt.com reports exclusively. The loan has an 85% loan-to-value, and the funds will be used to recapitalize leasehold interest in the building.

**Lucent Capital** secured the funds on behalf of the investor. The borrower chose to take advantage of the low-interest rate environment and secure a non-recourse loan with a 10-year term and fixed-rate financing. Broken down, the loan has a \$21 million first mortgage with \$4 million of mezzanine. “We accomplished these requests by creating a competitive bidding process with a variety of lending sources, including conduit lenders, banks and finance companies,” **Steven Yazdani**, managing director of Lucent Capital, tells GlobeSt.com. “Our strong relationships with capital providers along with the strength of the asset, including its location and top-tier sponsorship, helped us generate several competitive financing options.”

The high, 85% loan-to-value makes this transaction especially unique, and according to Yazdani, it was extremely difficult to obtain in this market place. “With some creative structuring which included layering in a mezzanine tranche, we were successful in obtaining a favorably priced, high-leverage loan,” he explains. “With increased competition among lenders, capital providers have to be creative in the way they underwrite and structure deals to win business.”

Located at 315 South Beverly Drive in Beverly Hills, the property is a five-story, 68,423-square-foot class-A office building. The investor purchased the asset in 2006 and performed extensive renovations, which included adding 2,400 square feet of ground floor **retail** space. The building is currently 95% occupied and is in high demand from tenants in the professional and entertainment sectors.

In addition to high demand in the office sector, Beverly Hills also has a tight retail market. Earlier this year, GlobeSt.com reported that **ECA Capital** **secured \$120 million** in financing for a 20,727-square-foot retail property on Rodeo Drive.

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### About Our Columnist



**Kelsi Maree Borland** is a freelance writer and editor living in Los Angeles. Her work has appeared in publications such as *Travel + Leisure*, *Angeleno* and *Riviera Orange County*.  
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