

SoCal Real Estate™

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THE COMMERCIAL REAL ESTATE VOICE OF SOUTHERN CALIFORNIA

Serving Orange,
San Diego, Riverside,
and San Bernardino
counties

THE INLAND EMPIRE: MUCH MORE THAN INDUSTRIAL

Office, retail, and multifamily
are also reaping the benefits of
economic growth in this market



**THRIVING
WHERE
TRADITIONAL
LENDERS
FEAR TO
TREAD**
Silver Arch
can fill a
much-needed
role in SoCal
transactions



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FATHER'S
CORPORATE
TENANTS**
Companies
are no
longer
willing to
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THRIVING WHERE TRADITIONAL LENDERS FEAR TO TREAD

East Coast bridge lender can fill a much-needed role in SoCal transactions.

BY CARRIE ROSSENFELD

As we approach the end of an extended real estate cycle, many traditional lenders are becoming more stringent in their underwriting standards for commercial real estate. This trend is making way for alternative lenders to provide bridge loans on transactions that either have too much hair on them or have some marker that prevents buyers from closing deals.

Enter Hackensack, New Jersey-based Silver Arch Capital Partners, a nationwide private lender to the commercial real estate market specializing in bridge loans to owners, investors, and developers in need of funding outside the scope of traditional lenders. Silver Arch's partners have closed more than \$2 billion

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— JEFFREY WOLFER, SILVER ARCH CAPITAL PARTNERS PRESIDENT AND CEO

in loans ranging from \$1 to \$70 million in the multifamily, office, retail, industrial, hotel, and land categories. Loan purposes include restructurings, discounted payoffs, purchase of notes, and improvements. Having made its mark on the East Coast, the firm is looking

to offer its services to the SoCal CRE market. *SoCal Real Estate* spoke with Silver Arch president and CEO Jeffrey Wolfer to discuss what the firm can offer borrowers in this region.

SoCal Real Estate: What can Silver Arch Capital Partners



Jeffrey Wolfer, Silver Arch Capital Partners President and CEO. Top: Rendering of a mixed-use property at 1499 Columbus Blvd. in Philadelphia, for which Silver Arch Capital Partners provided a \$15 million acquisition loan.

do for San Diego, Orange County, and Inland Empire CRE borrowers that traditional lenders can't?

Wolfer: Silver Arch Capital Partners services bridge-loan clients that cannot qualify for conventional financing, whether it be due to market

factors, business type, timing requirements, credit issues, or property-level issues. We provide financing for quick closings so borrowers can take advantage of an opportunity, repositionings, re-tenanting vacant spaces, or simply seasoning a property's income stream to meet underwriting requirements for CBMS or life-company takeouts. We are also one of the few lenders that finances land for borrowers interested in building a new property.

What types of transactions are especially prominent in this market?

There is a tremendous real estate opportunity with the rise of the adult-use cannabis industry in California. Plant-touching operations, including cultivation, processing, testing, and dispensary operations, need real estate — and fast — to begin operations. Finding space can be a struggle, but once a cannabis business owner finds a willing seller, he needs to move quickly to get his financing in order. This is especially relevant for Silver Arch Capital Partners as a private lender, since we can close quickly without the red tape and lengthy approval process followed by a traditional lender.

How are lenders viewing the cannabis sector since the state's legalization of its sale?

Numerous players are trying to establish a foothold in the industry, so there's a lot of capital flowing into the space. However, conventional lenders won't lend in this space. There's no doubt that the legal cannabis market will bring jobs, housing opportunities, and innovative industry to Southern California, but that doesn't mean that traditional lenders can jump in and take advantage of the real estate opportunity that accompanies this growth. They're still bound by internal red tape and can invite federal government interference because of cannabis' status as a Schedule I drug on the federal level. All that a private lender

looks for is the value of the asset. It doesn't matter to a private lender if the business works with legal cannabis or not. We see opportunity, simple as that.

How is the borrower profile changing in the Southern California market?

The borrower profile is an interesting mix of the “usual suspects” who have had a market presence for some time, along with some new blood coming into the market with fresh ideas and approaches. There is plenty

of room in the market for all different kinds of players.

What else should our readers know about your firm?

The partners at Silver Arch Capital Partners have closed more than \$2 billion in alternative financing to clients all over the United States. We pride ourselves on acting quickly, reviewing applications and appraisals as soon as they're received. Since we don't have the same red tape as a traditional financing

institution, we shorten the borrowing application process and get borrowers set up with their funding in a fraction of the time. This also means that we can work in industries such as California's legal, medical, and adult-use markets without worrying about federal regulations. Silver Arch Capital Partners is looking to finance most property types nationwide, including land, horizontal and vertical developments, warehouses, and retail properties. ■

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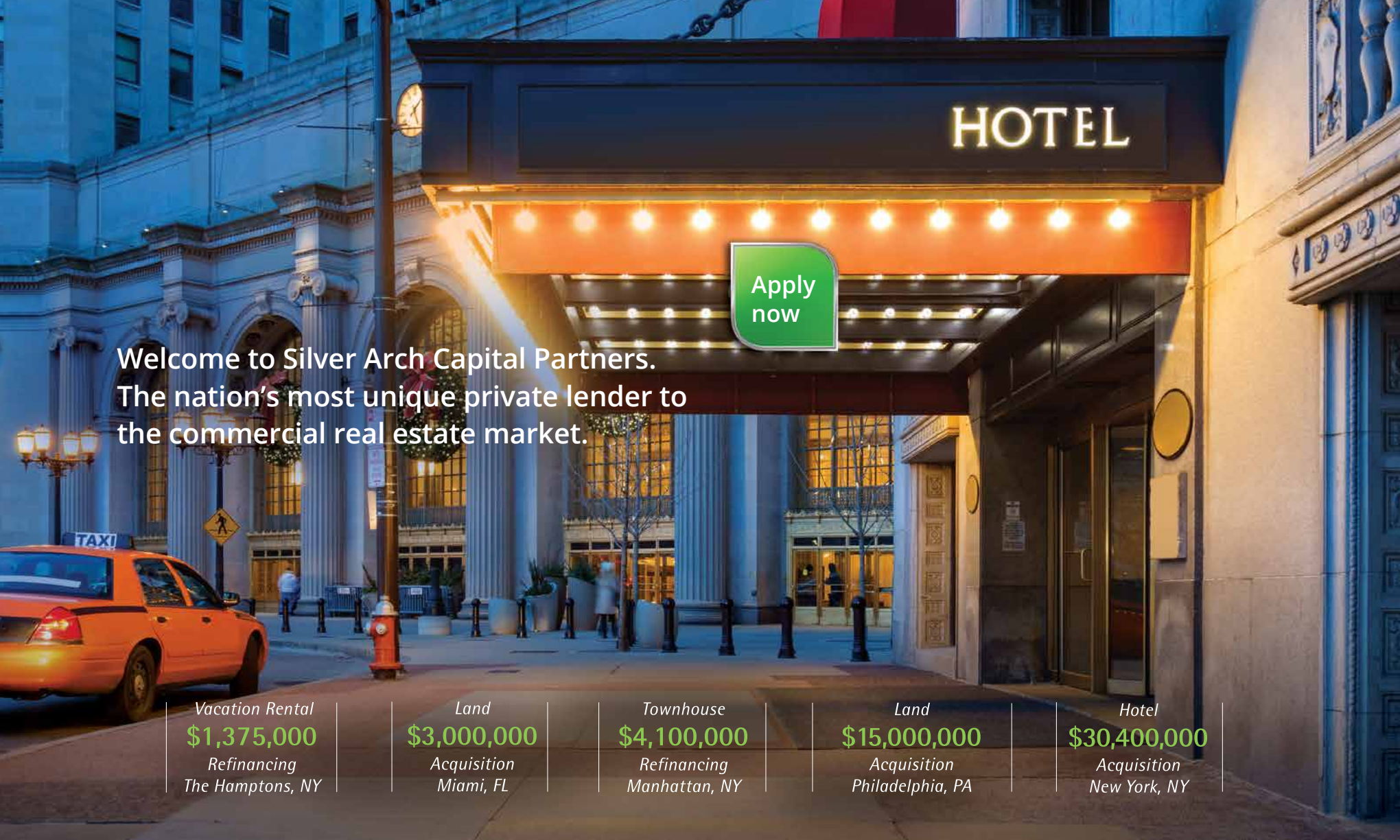
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