

# CASE STUDY

## METAIRIE MANOR

\$10,814,900 | May 2021 | Metairie, LA



Sims Mortgage has played a large part in the success of Christopher Homes and the Archdiocese's efforts to serve the elderly poor in New Orleans from our early days. Recently Sims returned to the table to assist us in the refinancing of Metairie Manor, our flagship property. We are very grateful for the mission-oriented service we have always received from Anthony Luzzi and Andrew Patykula and their team in the contenance of our ministry of service to the low-income seniors of the New Orleans area.

**Deacon Dennis Adams, Executive Director  
Christopher Homes, Inc.**

## SIMS MORTGAGE FUNDING RETURNS TO NEW ORLEANS AREA TO REFINANCE AFFORDABLE SENIORS HOUSING COMMUNITY – PART DEUX

### PARTNERED RIGHT

In 2012 we refinanced Metairie Manor, a 287-unit, Section 8 funded, affordable senior housing community owned and managed by affiliates of the Archdiocese of New Orleans. That refinancing, which paid off its HUD Section 202 Direct Loan, produced about \$250,000 in annual debt service savings that have been used to fund wellness and affordable nutrition programs, resident units deep-cleaning services, and enhanced transportation options. Interest rates for HUD-insured loans have dropped since the 2012 refinancing, so the Archdiocese brought us back to evaluate options to generate more debt service savings.

### STRUCTURED RIGHT

We originated a new HUD-insured loan under the Section 223(a)7 program, an expedited review option that does not require an appraisal and has a pared-down application and underwriting format. This minimized the time it took us to develop the application and loan underwriting, and the time it took for HUD to review and approve the deal.

### EXECUTED RIGHT

The 223(a)7 loan reduced the project's interest rate by 33% and produced debt service savings of \$118,000 annually. Moreover, in order to maximize annual debt service savings, we negotiated an extension of the loan term of almost 10 years. We also built approximately \$700,000 into the new loan to supplement the existing Reserve for Replacements fund, so there will be a stable platform to provide for Metairie's physical needs in the future.

### FINANCED RIGHT®

The additional savings from the new 223(a)7 loan materially increases Metairie Manor's capacity to provide services and programs to its residents, enhancing its already-solid reputation in the community. As a result, Metairie Manor can expand its programs and services and increase its capital reserves - all to be accomplished without an increase in the existing Section 8 funding.

The Metairie Manor refinancing is the eleventh HUD-insured loan we have closed for the Archdiocese and its management affiliate, Christopher Homes, Inc.

For more detailed information on how **Metairie Manor** was Financed Right® by HJ Sims and Sims Mortgage Funding, please contact:

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