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## Thorofare Lends \$32.5Mln Against Indianapolis Retail Center

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Thorofare Capital has provided \$32.5 million of bridge financing against Castleton Square & Commons, a 256,582-square-foot retail power center in Indianapolis.

The financing allowed Arciterra Group, a Phoenix developer, to buy the property from McKinley Inc. of Ann Arbor, Mich., which used proceeds of the sale to defease, or replace with government securities, a \$23.4 million CMBS loan against the two-building property.

That loan was securitized through ML-CFC Commercial Mortgage Trust, 2006-4, and doesn't mature until next November. It pays a 6.12 percent coupon and amortizes on a 33-year schedule.

Arciterra initially had turned to a life insurance company to fund its purchase. But it wasn't able to fund the loan in a timely manner. So it turned to Thorofare, a Los Angeles lender that pursues bridge loans against middle market properties and capitalizes them through a series of funds. It closed its loan quickly - 16 days before Arciterra's purchase contract was to have expired. Its loan has a two-year term and could be extended for up to two additional six-month terms.

Its \$32.5 million loan was sized to 82 percent of the property's value, putting that at roughly \$40 million.

While it had the property under contract, Arciterra was able to sign two leases for a total of 12,110 sf.

In 2014, the last full year for which data are available, the property was 91 percent occupied and generated \$2.3 million of net cash flow, according to servicer data compiled by [Trepp LLC](#). Occupancy is now 94 percent. Tenants include Recreational Equipment Inc., which occupies 23,211 sf through 2022; Dave & Busters, which is in 35,000 sf through 2021; Golfsmith, in 27,900 sf through 2017, and Casual Male.

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