

NEW ENGLAND REALTY ASSOCIATES LIMITED PARTNERSHIP
Form 8-K
June 07, 2018

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported) **June 6, 2018 (May 31, 2018)**

NEW ENGLAND REALTY ASSOCIATES LIMITED PARTNERSHIP

(Exact Name of Registrant as Specified in Charter)

Massachusetts
(State or Other Jurisdiction
of Incorporation)

0-12138
(Commission
File Number)

04-2619298
(IRS Employer
Identification Number)

39 Brighton Avenue, Allston, Massachusetts
(Address of Principal Executive Offices)

02134
(Zip Code)

Registrant's telephone number, including area code **(617) 783-0039**

N/A

(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry Into a Material Definitive Agreement.

The information set forth in Item 2.03 of this Current Report on Form 8-K is hereby incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On May 31, 2018, Hamilton Park Towers, LLC (Hamilton Park), a joint venture 40% owned by New England Realty Associates Limited Partnership (the Partnership) entered into a Mortgage Note (the Note) with John Hancock Life Insurance Company (U.S.A.) in the principal amount of \$125,000,000. Interest on the Note is payable on a monthly basis at a fixed interest rate of 3.99% per annum, and the principal amount of the Note is due and payable on June 1, 2028. The Note is secured by a mortgage on the Dexter Park apartment complex located at 175 Freeman Street, Brookline, Massachusetts pursuant to an Mortgage, Assignment of Leases and Rents and Security Agreement dated May 31, 2018 (the Mortgage). The Note is guaranteed by the Partnership and HBC Holdings, LLC pursuant to a Guaranty Agreement dated May 31, 2018 (the Guaranty).

Hamilton Park intends to use the proceeds of the loan to pay off an outstanding loan of approximately \$82,000,000 currently secured by, among other collateral, the property owned by Hamilton Park. The description of the terms of the Note, Mortgage and Guaranty are qualified by reference to the text of the respective documents, which are filed as Exhibit 10.1, 10.2 and 10.3 respectively with this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(a) **Exhibits.**

10.1 Mortgage Note dated as of May 31, 2018 in the principal amount of \$125,000,000 payable to John Hancock Life Insurance Company (U.S.A.), made by Hamilton Park Towers, LLC.

10.2 Mortgage, Assignment of Leases and Rents and Security Agreement dated May 31, 2018 by and between Hamilton Park Towers, LLC and John Hancock Life Insurance Company (U.S.A.).

10.3 Guaranty Agreement dated as of May 31, 2018 made by New England Realty Associates Limited Partnership and HBC Holdings, LLC in favor of John Hancock Life Insurance Company (U.S.A.).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NEW ENGLAND REALTY ASSOCIATES

LIMITED PARTNERSHIP

By: NewReal, Inc., its General Partner

By /s/ Ronald Brown

Ronald Brown, its President

Date June 7, 2018