

NEW ENGLAND REALTY ASSOCIATES LIMITED PARTNERSHIP
Form 8-K
February 06, 2008

**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) **February 6, 2008 (January 11, 2008)**

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))
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Item 1.01 Entry Into a Material Definitive Agreement.

On January 11, 2008, New England Realty Associates Limited Partnership (the Partnership) and The Hamilton Company (Hamilton), a full service real estate management company that performs management services for the Partnership, entered into a commitment letter (the Commitment Letter) with Wachovia Multifamily Capital, Inc. (Wachovia) for an aggregate of \$90,975,000 in mortgage financing (each, a Loan and collectively, the Loans) for three properties owned by Hamilton and ten properties owned by the Partnership (the Partnership Properties). Each Loan provides for a 0.5% financing fee for Wachovia, will bear interest at 5.60% per annum, will mature 15 years from the date of closing of the Loan and will be interest only for the entire 15 year term of the Loan. None of the Loans are cross collateralized.

Approximately \$57,000,000 of the proceeds from the Loans has been allocated to, and will be secured individually by the Partnership Properties, and the loan-to-value ratio for each such Partnership Property shall not exceed 55%. The Partnership will use the proceeds from the Loans to pay off approximately \$47,000,000 in existing mortgage indebtedness of the Partnership Properties and will retain the balance of the proceeds to pay related closing costs and to fund the Partnership's general working capital needs. The Partnership expects that annual debt service for the Loans will be approximately \$800,000 less than under the existing mortgage indebtedness on the Partnership Properties.

In connection with the execution of the Commitment Letter, Hamilton and the Partnership paid a non-refundable deposit in the amount of \$929,102, which includes approximately \$570,000 funded by the Partnership. The closing of the Loan is subject to numerous customary undertakings, covenants, obligations and conditions and is expected to be completed during the first fiscal quarter of 2008.

A copy of the Commitment Letter entered into by and between the Partnership, Hamilton and Wachovia is filed herewith as Exhibit 10.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Commitment letter from Wachovia Multifamily Capital, Inc. to The Hamilton Company dated January 11, 2008.

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 February 6, 2008

EXHIBIT INDEX

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