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ENHANCING THE QUALITY OF LIFE IN THE PHILADELPHIA SUBURBS

STRONG Foundation

Real estate developers such as Alterra Property Group are rebuilding the Greater Philadelphia Area with help from Meridian Bank

by PHIL GIANFICARO

photography by
JODY ROBINSON

Philadelphia is Leo Addimando's city. He was born there, and he lives there. For this co-founder and managing partner of Alterra Property Group LLC, a Philadelphia-based real estate investment, development and management company with a concentration on urban renewal, the city isn't simply a place on a map; it's a place in his heart.

"I left the city with my parents when I was in grade school and returned 11 years ago," Addimando says. "I love the city. And yes, because of my company, I certainly have a vested interest, financially, in seeing continued upward progress in the city. But there's a level of satisfaction I get helping rebuild parts of it, block by block, neighborhood by neighborhood."

Since 2004, when Addimando started in the real estate business, he has executed more than 75 real estate transactions in 15 states, including more than 1,000 new condominiums/apartments, office space, medical office, retail and senior housing.

In Philadelphia, Addimando has spearheaded real estate redevelopment projects in and around the city, transforming previously run-down buildings into attractive living communities. He has accomplished this with the finan-

Leo Addimando, co-founder and managing partner of Alterra Property Group LLC (left), with Clarence Martindell, senior vice president and real estate loan department manager for Meridian Bank

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—Leo Addimando, Alterra Property Group



Meridian Bank has financed several properties for Alterra in Center City, including luxury residential apartments on Spruce Street.

cial assistance of another entity that views Philadelphia and its surrounding communities in ways far beyond cold, impersonal numbers on a ledger: Meridian Bank.

Locally owned and managed, Meridian Bank is a state-chartered commercial institution providing full-service banking to businesses, professionals and retail customers in the Delaware Valley. For the past three years, Meridian Bank has worked with Addimando to help improve the lives of families in this city which both care deeply about.

"With the number of local banks dwindling, Meridian is finding itself more and more in a positive position," Addimando says. "I love the bank for a number of reasons. One, they employ great people; Clarence Martindell [senior vice president and real estate loan department manager] and others are top notch. Two, we go to them and we know quickly what they can and can't do. And if they say they can, they do it quickly. Certainty of execution and certainty in deal terms are very important to a real estate company."

Meridian Bank has financed several properties for Alterra in Center City, including luxury residential apartments on Spruce Street and even Alterra's office on Walnut Street.

"Meridian helped us do a complicated ground lease and financed the redevelopment of the building. Today there's an upscale clothing store downstairs, and our offices occupy the second floor," Addimando says. "They just make it easy to work with them. We've dealt with dozens of banks, but none easier than Meridian, from the origination, to the closing, to the service of the loan, to cash management. All those things that can bog you down as a real estate company, Meridian makes them easy."

"Banking has gotten much harder for the banker and customer because of all the regulations the last 10 years," he continues. "But Meridian does a tremendous job handling the problems and eliminating the friction between bank and customer. They let their customers be customers."

While Addimando finds Meridian Bank's approach to business a hand-in-glove fit, Meridian,

too, is cognizant of the benefits of a working relationship with someone of Addimando's reputation.

"Leo's a strong, established developer in the Philadelphia area," Martindell says. "In most cases, he's taking something underutilized, making improvements and creating something leasable. In projects I've been involved in, he's converted old office or school buildings that were blights on the neighborhood."

"What we as a bank can do to contribute to his success is help with his turnaround time," he continues. "We can meet the demands of the sale. We can give him flexibility by the way we structure the loan."

But a pressing question remains: Where has Meridian Bank succeeded in real estate lending while other banks have failed?

"One of the reasons is that we didn't get hurt as badly in the 2008 to 2012 period as did other banks," says Christopher J. Annas, Meridian Bank president and CEO, who founded the bank in 2004. "As a result, the conditions and terms under which we lend haven't changed too much since the 2003 to 2007 heyday in terms of structuring. Because of that steadiness, we've performed extremely well."

Annas credits the patience and trust the bank established with builders during the economic downturn as keys to Meridian's perception as a true community partner, not merely a financial institution.

"Some of the companies we had issues with during that tough time, we didn't kick them out of the bank. We worked with them," Annas says. "The building community is tight-knit; we earned a reputation as a bank that wouldn't cut and run at the first sign of trouble. We're pretty flexible. We knew the sun would come out again. Our consistency resonates with all our builders and customers."

"We do consumer home equity lending, commercial and industrial lending, or construction and land development lending," Annas continues. "We make sure we're diversified."

Noting the terrific working relationship between Meridian Bank and Alterra Property Group, Annas says, "We do work with Leo in two or three areas. He's obviously a successful guy, and he could borrow money at any bank to do projects he wants to do. But, Leo is easy to work with, and I know it's important to him that Meridian is, too." ■

→ MERIDIAN BANK
Corporate Headquarters
9 Old Lincoln Hwy.
Malvern, PA 19355
484-568-5000 |
www.meridianbanker.com