



Kapahi and Simon of HKS secure \$109 million loan from Fortress Investment for SLS Hotel at 444 Park Avenue South; Placed for Moinian of Moin Development and Nazarian of SBE

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David Moinian of Moin Development and Sam Nazarian of SBE acquired the financing needed to complete their flagship SLS Hotel at 444 Park Ave. South.

Ayush Kapahi and Gabrielle Simon of HKS Capital Partners secured a \$109 million loan from Fortress Investment Group on behalf of the sponsors to recapitalize and restructure existing debt on the Midtown South redevelopment, according to the New York mortgage brokerage.

Spencer Garfield, a managing director in Fortress's credit and real estate business, originated the debt. Puerto Rico's Doral Bank provided construction financing for the project in 2012 and 2013, city records show.

"HKS was instrumental in recapitalizing/restructuring the existing mortgage to allow for the project to utilize additional s/f," said Moinian, who purchased a 14-story office building at the site in August 2011 for \$45 million and partnered with the Los Angeles nightclub operator and hotelier SBE to open its successful SLS brand there. The project marks the first SLS hotel in New York City, following two completed properties in Miami Beach and Beverly Hills.

The \$150 million redevelopment project has evolved to include an additional six stories above the existing structure along with a 6,000 s/f sub-cellar. The boutique hotel will contain three bars and a restaurant, as previously reported.

The SLS Midtown South hotel is scheduled to open next spring.

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