



AKS Capital Partners place \$215 million refinance for Delancey Street Assocs. JV

November 19, 2019 - Front Section

Manhattan, NY Delancey Street Associates (DSA), a joint venture of L+M Development Partners, BFC Partners, Taconic Investment Partners, the Prusik Group and the Goldman Sachs Urban Investment Group, has secured a \$215 million refinancing for The Essex, a 26-story mixed-use building and one of the nine Essex Crossing sites on the Lower East Side.

The 195-unit, 50% affordable rental building is fully leased and is home to Essex Market, the 14-screen Regal Essex Crossing, one of the largest farms on Manhattan Island, and the first phase of The Market Line, a 150,000 s/f marketplace.

The financing was provided by JPMorgan Chase, with the Goldman Sachs Commercial Mortgage Backed Securities group in participation. Jonathan Schwartz, Aaron Appel, Keith Kurland and Adam Schwartz of AKS Capital Partners arranged the financing on behalf of Delancey Street Associates with JP Morgan and Goldman Sachs.

“Essex Crossing is well on its way to being one of New York City’s most exciting places to live, work and visit and The Essex is right at the heart of the action,” said Isaac Henderson, managing director at L+M Dev. “With 195 fully leased mixed-income apartments, the historic Essex Market, The Market Line and Regal Essex Crossing all under one roof, The Essex has become a hub of activity on the Lower East Side. Thanks to our partners for their commitment to The Essex and long-term success of Essex Crossing.”

“The Essex is a trophy asset along with best in class sponsorship,” said Schwartz. “Given these factors, and its location within the highly successful Essex Crossing development, it was a very attractive proposition for the lending community.”

Seven of Essex Crossing’s nine sites have topped out, and the project will be more than 90% complete by 2021.

Additional open or under-construction components of Essex Crossing include:

242 Broome, a 55-unit luxury condominium building with three units remaining, will welcome the new home of the International Center of Photography in January and the Gutter, a bowling entertainment center, this fall.

The Rollins, mixed-income 211-unit rental building (with half affordable), that houses the largest Trader Joe's on the east coast and a Target, along with an adjacent public park and playground that opened in June.

The 99 affordable senior units at the Frances Goldin Senior Apartments are fully occupied and the building is also home to NYU Langone's Joan & Preston Robert Tisch Center at Essex Crossing, Grand St. Settlement, Henry St. Settlement, the Lower East Side Partnership, the Chinese-American Planning Council, Hilltop Bicycles, and GrandLo Café -- a job-training coffee shop run by Grand St. Settlement.

180 and 202 Broome Sts. are under construction and will each include 175,000 s/f of class A office space when completed in late 2020. 180 Broome, which topped out in April, will be a 26-story building with 263 units of mixed-income rental housing and 27,000 s/f of retail space, including its portion of the Market Line, Broome Street Gardens and an indoor park. 202 Broome St., which topped out earlier this month, is a 14-story, 83-unit luxury condo building that will also include 175,000 s/f of class A office space and sections of The Market Line and the Broome Street Gardens.

140 Essex St., a 100% affordable, 92-unit senior building, is expected to open early next year.

Essex Crossing represents one of the most significant urban renewal developments in the history of New York City, and is revitalizing six acres in Lower Manhattan that had sat mostly vacant since 1967. The overall project will include 1,079 units of housing (more than half affordable), and is expected to be finished by 2024.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540