



Emerald Creek Capital's streamlined financing process enables steep discounts for sponsors

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Private equity fund, Emerald Creek Capital has recently provided six bridge loans secured by assets in the multifamily, residential inventory, and retail sectors. Two of the recent transactions were discounted payoffs of conventional loans. "Speed is very important in a discounted payoff deal," said Patrick Janson, an associate at Emerald Creek Capital. Janson recently originated a \$3.3 million loan secured by 14 luxury condominiums in the Greenpoint section of Brooklyn. "We do not broker or buy loans. We only provide short-term debt for real estate investment properties. This focused approach enables us to close time sensitive transactions."

To execute a discounted payoff, the sponsor generally needs to put down a 10% non-refundable deposit with the existing lien holder. This agreement is contingent on a payoff date generally within 30 days of the executed agreement. "The timing constraint of a discounted payoff demonstrates the demand for a reliable bridge lender."

In another recent transaction, Emerald Creek Capital provided a short term bridge loan to an established development firm with the security of a 14,400 s/f retail center. The center was built in 2006 and is currently 95% occupied with long term leases. The sponsor was making his mortgage payments but the bank needed to improve their balance sheet with liquidity. "It was a win-win situation for everyone," said Jeff Seidler, senior vice president of Emerald Creek Capital. "The bank received their desired liquidity within their requested timeline, the sponsor reduced their principle balance by upwards of 30%, and we are able to invest in a great asset."

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