



Hudson Realty Capital funds \$6.5 million bridge loan-6,400 s/f

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Manhattan NY Hudson Realty Capital LLC, a real estate fund manager with more than \$2 billion in assets under management, has funded a \$6.5 million bridge loan secured by a 6,400 s/f West Village commercial building. Loan proceeds are being utilized by the sponsor, an experienced developer, builder and repeat borrower of Hudson, for debt refinancing and to fund pre-development expenses.

Originally constructed as a carriage house, the vacant three-story building has repositioning appeal, with a double-curb cut and 12-foot high ceilings. The district, once known as "Little Bohemia," has artist lofts as well as residential towers fronting the Hudson River. To the north is the Meatpacking District and boutiques and night clubs.

"This transaction is representative of the bifurcation in the capital markets, whereby there is a tremendous amount of capital for stabilized assets and larger transitional assets, but there is a lack of capital for middle-market transitional assets," said Spencer Garfield, managing director.

Hudson has also funded a \$5.9 million first-mortgage loan secured by a 50,040 s/f multi-family property with ground-floor retail along Woodhaven Blvd. The borrower will utilize the proceeds for a discounted first-mortgage payoff and to establish reserves to stabilize the property.

The six adjoining circa 1925-1930 buildings feature a total of 42 apartment-rental units and 11,250 s/f of commercial space. Located in the Middle Village section of Queens, the two-story property will be renovated by the borrower, an experienced real estate owner and investor, who plans to lease up the vacant units in the next six to 12 months. Current occupancies are 83% and 20%, for the residential and commercial units, respectively.

"Hudson is pleased to have provided this financing and to further establish ourselves as the leading provider of middle-market bridge debt for transitional properties," said Garfield, who spearheads the company's originations and debt purchases. "In addition to being a DPO, this transaction had a number of complexities that made it conventionally unfinanceable, as of yet. Hudson's capital will enable this experienced sponsor to stabilize the asset and obtain takeout financing."

Headquartered in New York City, Hudson maintains regional offices in Portland, Maine, and Fort Myers, Florida. The company has closed more than \$3.5 billion in transactions since the formation of its initial two funds. The company's fifth fund is now targeting middle-market debt transactions, including new originations, note acquisition financing, DPO financing and existing loan purchases.

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