



Madison Realty Capital acquires defaulted note for 75-unit condo development, Breakers at Sheepshead Bay

December 27, 2012 - New York City

According to Brian Shatz, co-founder and managing member at Madison Realty Capital (MRC), an institutionally backed commercial real estate investment fund and asset manager specializing in flexible debt and equity financing solutions for middle-market transactions throughout the U.S., has acquired a defaulted note sold by a Canadian bank.

The unpaid principal balance on the loan was \$23.5 million and is secured by the remaining 49 units and parking of the Breakers at Sheepshead Bay, a 75-unit waterfront residential condominium development located at 3112-3144 Emmons Ave.

The overall loan purchase price of the property was not disclosed.

"After commencing the project in 2004, and completing it in 2009, the developer fell into foreclosure and ultimately filed for bankruptcy in August 2012," Shatz said. "Having both experience in bankruptcy and restructuring, as well as a fully integrated real estate platform, gave us the knowledge base to understand the nuances of a complicated real estate transaction and close in the very quick timeframe required by the bank. As we have done with previous acquisitions, should we end up taking title to the property, MRC intends to tap into our vertically integrated platform of in-house construction, asset, and property management capabilities to maximize the property's long-term value."

MRC has now closed debt purchase transactions with more than 30 counterparties including regional, local and international banks, special servicers, and other funds.

Founded in 2004, Madison Realty Capital is an institutionally backed commercial real estate firm specializing in flexible debt and equity financing solutions for middle-market transactions throughout the United States. MRC invests in the multifamily, retail, office and industrial sectors and has completed approximately \$1 billion of transactions in 28 states to date. MRC's vertically integrated platform encompasses origination, servicing, asset management, property management and construction management expertise to maximize the value of its investments.

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