



Mecorp Capital Markets launches preferred equity investment product with \$14.2 million joint venture partnership at 21W20 in Manhattan

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In response to improving market conditions, Mecorp Capital Markets, LLC, a privately owned commercial real estate lender and private equity firm, revealed the launch of a new preferred equity investment product that provides building sponsors with a greater percentage of the economics from their real estate development projects. The launch coincides with Mecorp's announcement that the company has closed its first transaction with its new investment product in a \$14.2 million joint venture partnership with Gale International at 21W20, a new condominium development in the Flatiron District.

"We believe that the next three to four years in particular will be a period of continued growth and improvement for real estate development, and have structured a preferred equity investment product that addresses the increasing demand among building sponsors for a greater percentage of their deal economics," said Daniel Edrei, director at Mecorp. "In exchange for taking a priority position in the waterfall to mitigate risk, our new investment product provides developers with exponentially higher returns than they would otherwise receive under a typical joint venture equity partnership that heavily favors the investor."

Edrei said, "Gale International's luxury condominium development at 21W20 is an ideal project for Mecorp as we shift our focus toward joint venture equity investment opportunities for new developments with highly experienced developers in the top real estate markets throughout the U.S."

Comprising 12, full-floor ultra-luxury condominiums, 21W20 was designed by architecture firm Beyer Blinder Belle, with interior design by MR Architecture + Decor. The development features three floor-through penthouse homes highlighted by private terraces and floor-to-ceiling windows along the building's southern exposure.

"We are extremely pleased to partner with Mecorp to deliver a new luxury condominium in one of the most sought-after residential neighborhoods of Manhattan," commented Stan Gale, Chairman and CEO of Gale International. "The unique opportunity that this development affords through its offering of expansive, full-floor condominium residences - a true rarity in the New York City market - generated considerable interest from several private equity firms. Ultimately, Daniel and his team at Mecorp were able to deliver the most attractive terms."

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