



Madison Realty Capital in partnership with RWN Real Estate Partners acquire mixed-use properties for \$30 million

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Madison Realty Capital (MRC), an institutionally backed real estate private equity firm focused on real estate equity and debt investments in the middle markets, arranged the acquisition of 2053 Frederick Douglass Blvd. and 300 West 112th St., two 5-story mixed-use elevator buildings located in Harlem, in partnership with RWN Real Estate Partners LLC (RWN) for \$30 million in an off-market transaction. Together, the two adjacent buildings on Frederick Douglass Blvd. between 111th and 112th Sts. comprise 55,000 s/f, including 50 residential units and two retail units totaling 3,750 s/f, and offer 30,000 s/f of additional residential development rights. Josh Zegen, co-founder and managing principal of MRC and Ari Shalam, managing principal of RWN jointly made the announcement.

"Frederick Douglass Blvd. has seen tremendous growth and revitalization over the past several years. Redevelopment and expansion of the residential stock, combined with the growth of an appealing mix of restaurants and retail, has transformed the neighborhood. Recently the area has seen an influx of families and young professionals seeking alternatives to the Upper West Side, without sacrificing proximity to Central Park or the unique residential feel of Upper Manhattan," said Zegen.

Shalam said, "Given those dynamics, we see considerable untapped demand for high-quality residential projects on Frederick Douglass Blvd., particularly at the southern end near Central Park. The properties we acquired have significant unused development rights, which provide the opportunity for further residential development. The retail market in this neighborhood is also seeing strong growth."

MRC and RWN will seek to add value to both 2053 Frederick Douglass Blvd. and 300 West 112th St. through the renovation of existing apartments to maximize rents, lease-up of vacant units and the potential future development of 30,000 s/f of unused development rights. Earlier this year, MRC acquired another property located one block north on Frederick Douglass Blvd. 2094-2104 Frederick Douglass Blvd., which MRC purchased for \$7.25 million, is an 11,254 s/f retail condominium unit within the Gateway Tower residential condominium development. The property is currently occupied by several long-term tenants, and offers strong in-place cash flow as well as significant upside potential given the increasing popularity of the neighborhood.

NGKF Capital Markets, led by Steven Schultz and Josh Malka, represented both parties in both off-market transactions.