



## **Zegen of MRC arranges \$50 million first mortgage**

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Josh Zegen, MRC

Brooklyn, NY Madison Realty Capital (MRC) has provided a \$50 million first mortgage loan collateralized by a development project across 58 and 66 Gerry St. and coupled with an existing office building and additional development site at 25 and 33 Bartlett St. in the Broadway Triangle neighborhood.

The development, situated on a 30,037 s/f lot, includes an 80% complete condo project comprised of two adjacent seven-story buildings and ground-floor retail, a completed 7,470 s/f office building, and a vacant residential development site.

The sponsor is a local developer and repeat MRC borrower who first acquired the property in Dec. 2016. The financing will be used to retire the existing debt on the development, complete construction of the condominium project, and cover all costs associated with the transaction.

“MRC’s lending expertise and familiarity with the specific needs of this repeat borrower allowed us to design a customized funding package within a compact timeframe,” said Josh Zegen, co-founder and managing principal of MRC, who structured the financing. “In this case, MRC was able to capitalize on the opportunity to originate a loan for a well-located, high-quality condo development with additional liquid assets including a boutique office building and buildable lot, as well as a healthy last dollar exposure. The development’s structurally complete buildings and limited cost/schedule overrun risk made this an even more attractive project for us to finance.”

Upon completion, the condo development located at 58 Gerry Street and 25 Bartlett St. will include 41 residential units totaling 80,117 s/f, 12,625 s/f of retail space across the ground and cellar levels, and 21 parking spaces. The property also features a 10,000 s/f vacant lot directly north of the completed office building at 66 Gerry St., offering the potential for an additional affordable housing project.

Progress to date on the condo development includes completion of the foundation, superstructure, and exterior framing. The construction is expected to be completed by Q4.

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