



Eastdil Secured arranges \$1.25 billion refinance for Paramount Group

December 17, 2019 - New York City

Manhattan, NY Paramount Group, Inc. has completed a \$1.25 billion refinancing of 1633 Broadway, a 2.5 million s/f office building located on Broadway between 50th and 51st Sts.

The new 10-year interest-only loan has a fixed rate of 2.99% and matures in December 2029. The proceeds from the refinancing were used to repay the existing \$1.05 billion loan that bore interest at a weighted average rate of 3.55% and was scheduled to mature in December 2022. The company realized net proceeds of \$179 million after the repayment of the existing loan, swap breakage costs and closing costs.

Paramount engaged Eastdil Secured, LLC to arrange the financing.

"With the office portion of 1633 Broadway now 100% leased, we took advantage of attractive credit markets to capitalize on our recent leasing success, improve the company's debt maturity profile and increase our financial flexibility," said Wilbur Paes, executive VP, CFO and treasurer of Paramount. "Through this transaction we have effectively refinanced out equity proceeds, right sized leverage on the asset, and added seven years of term, all while keeping annual cash interest unchanged. Our total debt stack now carries a weighted average interest rate of 3.44% and a weighted average maturity of over six years."

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