



Meridian Capital Group arranges \$2.325m financing for Westhampton Beach Beehive Bungalows

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Westhampton Beach, NY Meridian Capital Group arranged \$2.325 million in acquisition financing for the purchase and repositioning of The Beehive Bungalows on behalf of First Dunes Development, the coastal development division of Chatham Development Co.

The 24-month loan, provided by Emerald Creek Capital, features a fixed-rate and full-term interest-only payments. This transaction was negotiated by Chatham Development vice president, Chad Gessin and Emerald Creek's managing partner, Mark Bahiri, alongside Meridian managing director, Jonathan Stern and Emerald Creek's Mike Cleaver. The Chatham, Meridian and Emerald Creek teams have previously financed the redevelopments of 102 Dune Rd., 20 Cove Ln. and 839 Dune Rd., where First Dunes has redeveloped over 25 properties on Dune Rd. Ron Scala of Scala Hampton Properties represented the seller and Claire Vegliante of Kerrigan Country Realty

represented Chatham Development in the acquisition transaction.

The Beehive Bungalows is an iconic bay front property on the barrier beach three miles from Main St., at 496 Dune Rd. The property contains eight separate units with private decks and has been in operation since the 1940s after the six of the structures were purchased from a U.S. Army surplus auction and placed on the site. Guests enjoy deeded access across Dune Rd. to a private Atlantic Ocean beach and 160 ft. of open bay front providing access to Moriches Bay for watersports, clamming and fishing. The property is also close to Lashley's Beach, also known as Jetty 4, and John Scott's Surf Shack.

First Dunes has already begun improvements and renovations in anticipation of relaunching the property under the name Beach & Bay Bungalows for Summer 2020 and tapped long-time partner, vacation rental company StayMarquis, to market and manage the seasonal rental units.

"As long-term residents and builders on Dune Rd. in Westhampton, we've long admired the beauty and charm of 496 Dune Rd. as well as its unique use in this unparalleled, exclusive location. Over the past 20 years, the prior ownerships have been focused on changing the use of the property, not operating it to its full potential. While we consider alternate future uses, we are focused on raising the property to First Dunes' luxury standards and providing a taste of the First Dunes lifestyle to a broader audience at a more affordable price point than our previous projects," said Gessin.

Bahiri said, "This is our fourth time financing a Chatham Development project in Westhampton. The team is always great to work with and their development experience in the area is unmatched. We are consistently impressed with the quality of their final product."

"The enhancement of the property couldn't be timelier as the improvements made to Westhampton Village will reactivate the area and result in a resurgence in demand for rentals. Chatham is the perfect group to be elevating this iconic asset, and we are excited to be able to provide the hospitality and management for the Beach & Bay Bungalows, which will attract a discerning traveler that is searching for a more affordable option to experience the true waterfront lifestyle."

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