



SCALE Lending issues \$243 million in loans on two new residential developments

January 16, 2024 - National News



626 Newark - Jersey City, NJ

Jersey City, NJ SCALE Lending has finalized two cross-collateralized loans totaling \$243 million with Namdar Group for two multifamily buildings in Journal Sq.

SCALE issued a \$160 million construction loan for Namdar Group's 27-story tower at 626 Newark. The mixed-use development will incorporate 576 rental apartments, 9,915 s/f of street-level retail and 17,747 s/f of office space. AJD Construction will serve as the general contractor for the project which is expected to deliver in 2026.

26 Van Reipen - Jersey City, NJ

In a second transaction, SCALE is providing an \$83 million bridge loan for 26 Van Reipen, located within the same Journal Sq. neighborhood. The proceeds will be used to retire \$73 million in construction financing and fund the lease-up and stabilization of Namdar's 27-story, 235-unit residential building. Completed in late 2023, 26 Van Reipen has had significant initial lease-up success. The project also features 7,562 s/f of retail and 7,546 s/f of office space, which are master leased to CMPND, an apartment and co-working community. Both 626 Newark and 26 Van Reipen are designed by C3D Architects.

SCALE has now deployed \$403 million across three loans to Namdar Group in Journal Sq. over the past six months alone. In July of last year, SCALE issued a \$160 million bridge loan for Namdar's multifamily development at 618 Pavonia.

"The market's appetite for multifamily in Journal Square far exceeds available supply and is the single most important demand driver that continues to attract us back to the neighborhood," said Martin Nussbaum, co-founder and principal at Slate Property Group. "Namdar Group remains one of the most active developers with a tried-and-true track record in the neighborhood."

The loans for 626 Newark and 26 Van Reipen were arranged by Drew Fletcher and Bryan Grover of Greystone Capital Advisors.

"We are thrilled to close another market-leading transaction with our long-standing client, The Namdar Group, and our trusted lending partners at SCALE," said Drew Fletcher, president of Greystone Capital Advisors. "This transaction required tremendous creativity, flexible structuring and certainty of execution that only a trusted relationship partner like SCALE could have delivered."

These loans add to SCALE's ongoing momentum, announcing just last week that it had finalized a

\$46 million bridge loan for Arris Grand, a newly completed apartment building in Brooklyn's popular Clinton Hill neighborhood.

"SCALE's winning recipe is simple – work with trusted sponsors in desirable locations on high-quality multifamily properties," said Daniel Ridloff, managing director of SCALE. "With many traditional lenders parked on the sidelines, we've seized the opportunity to utilize our strong relationships to close deals."

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