



SCALE Lending issues \$75 million bridge loan for a multifamily development

August 27, 2024 - National News

Little Ferry, NJ SCALE Lending, the debt financing arm of Slate Property Group, has finalized a \$75 million bridge loan for Capodagli Property Company, a family-owned New Jersey-based real estate development and management firm founded by George Capodagli.

Capodagli will utilize the funds from the bridge loan to retire the existing construction loan and to complete, lease-up and stabilize the 294-unit multifamily development located at 110 Bergen Turnpike. The 18-month loan term is followed by two six-month extension options.

“We’re continuing to help sponsors meet the residential demand in underserved markets such as Little Ferry, which has demonstrated a strong appetite for multifamily,” said Martin Nussbaum, co-founder and principal at Slate Property Group. “110 Bergen Turnpike is the only active development currently underway in Little Ferry, and we are thrilled to provide repeat financing to such a high caliber sponsor with the local market experience of Capodalgi Property Company.”

SCALE previously issued a \$71 million construction loan to Capodagli in November 2021. Prior to the closing of the construction loan, the site was rezoned from commercial to residential. The 110 Bergen Turnpike project will benefit from a PILOT agreement which fixes real estate taxes from 10 – 13% of Effective Gross Income (EGI) for 30 years post completion.

In addition to residential units, the mixed-use building features 8,356 s/f of retail space and 294 parking spaces. Both buildings are expected to issue TCOs by the third quarter of 2024. Capodagli’s affiliate company, Meridia Living, will handle leasing and property management. Silber Realty & Management Company has been engaged to market and lease the commercial space.

This loan continues SCALE’s recent lending momentum, deploying almost \$700 million in the first half of 2024 alone. Most recently SCALE finalized a \$150 million construction loan for Beitel Group’s 13-story, 450-unit multifamily project located at 120 East 144th Street in the Bronx’s Mott Haven neighborhood.

“SCALE’s formula has proven successful – work with sponsors with strong, local expertise in high-demand locations on best-in-class multifamily projects,” said Daniel Ridloff, managing director of SCALE. “With many traditional lenders continuing to be inactive, we’ve seized the opportunity to

utilize our strong relationships to source and close deals. Capodagli is a best-in-class owner, operator, developer and we are looking forward to yet another deal together.”

Capodagli Property Company has developed 2,000+ residential units in Northern New Jersey since 2014.

The project is located in the northern portion of the Little Ferry submarket of Bergen County, near Hackensack and Teaneck. The property provides access to transportation, parks, and outdoor green space.

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