

## S3 Capital Partners Provides \$250M Loan for New Hotel in Times Square

*McSam Hotel Group Project Located at 150 West 48th Street*

December 19, 2019

**S3 Capital Partners LP**, a New York City-based private lending platform, has provided a **\$250 million** loan to the **McSam Hotel Group LLC** for the acquisition and construction of **150 West 48th Street**, a new hotel development in Times Square. The financing— a \$210 million first lien and a \$40 million mezzanine loan – closed on December 17, 2019.

**The McSam Hotel Group**, one of New York’s most prolific hotel developers, has developed more than 75 properties since 1997. The company’s new 1,043-key, three-flag hotel will be located on 48th Street between 6th and 7th avenues, in the heart of Times Square and the Theatre district, home to many of the city’s best dining, shopping and nightlife options. The location offers easy access to the Times Square, Grand Central, Port Authority and Penn Station transportation hubs, and is within walking distance of Hudson Yards, Midtown and Rockefeller Center.

**Emanuel Westfried** acted as the financing broker.

S3 Capital enjoys a strong relationship with the McSam Hotel Group and is currently financing the development of a 165-key Le Meridian with 17 extended-stay suites on 5th Avenue between 30th Street and 31st

Street in Manhattan. The project is now moving toward completion.

“We are pleased to continue our ongoing relationship with the McSam Hotel Group, which has repeatedly earned its reputation as a best-in-class sponsor,” said **Joshua Crane**, co-founder and principal of S3 Capital. “This new hotel project is positioned to be an extraordinary success.”

“S3 offers flexible capital solutions that can be customized to meet the needs of sponsors throughout the development process,” said **Robert Schwartz**, co-founder and principal of S3 Capital. “We are a relationship-driven organization, and it is an honor to support the remarkable efforts of the McSam Hotel Group.”

### **About McSam Hotel Group LLC**

McSam Hotel Group LLC, led by founder and owner Sam Chang, is one of the largest hotel developers in New York City. Since 1998, Mr. Chang has developed more than 75 properties, including hotels, residential and commercial properties. Mr. Chang has been approved for franchise license by a variety of hotel franchise companies and their affiliates, including Hilton Hotel Corporation, Hyatt Corporation, InterContinental Hotels Group (Parent

Company of Holiday Inn Hotels), Marriott International, Inn., Carlson Hotels Worldwide, Starwood Hotels and Resorts Worldwide, Inc., Cendant Corporation and Choices Hotel Group. Mr. Chang is acknowledged as a leader in the hotel industry and he has received coveted industry awards such as 2015 “Developer of the Year” for his development of a new 610-room DoubleTree in NYC and 2020 “Developer of the Year Midscale-U.S.” awarded by InterContinental Hotel Groups.

### **About S3 Capital Partners LP**

S3 Capital Partners was established in 2013 by the Principals of Spruce Capital. S3 Capital offers a flexible platform that originates both smaller loans of between \$1 million to \$20 million, and larger loans of \$20 million to over \$250 million. Since its inception, S3 Capital has originated more than 320 first mortgages, with a current portfolio of 140 active loans totaling over \$1.3 billion. S3 is currently the most active private debt lender in New York City. The firm has deep development experience and is especially well positioned to streamline the construction process. It has a committed pool of capital, funding construction draws and responding quickly to meet borrower needs.

Spruce Capital Partners is a privately-held, New York-based real estate investment firm that owns, develops and invests in real estate and real estate-related opportunities. Founded in 2007 by Joshua Crane and Robert Schwartz, Spruce’s primary focus is delivering superior risk-adjusted returns. The company achieves this through a creative, multi-faceted approach to identifying, structuring and executing deals. Since its inception, Spruce has invested in an array of real estate transactions with an aggregate value in excess of \$5 billion.

### **About Spruce Capital Partners**