

S3 Capital Partners Provides \$50M Loan for Two Residential Properties in Brooklyn

Loan facilitates renovation of an existing building and a ground-up development

January 5, 2020

S3 Capital Partners LP, a New York City-based private lending platform, has provided a **\$50 million** loan to the **Loketch Group** and **Meral Property Group** for the renovation of 10 Quincy Street and for the ground-up development of 26 Quincy Street in the Clinton Hill neighborhood of Brooklyn. The financing closed on December 30, 2019.

The proposed development will feature the renovation of 10 Quincy Street's existing structure into condominiums, and also the ground-up development at 26 Quincy Street. The overall development will include a total of 90 units and parking spaces.

Clinton Hill, home to the world-renowned Pratt Institute, offers a vibrant restaurant and cultural scene and has experienced significant recent residential development momentum, attracting students, creatives and young families. 10 & 26 Quincy Street are steps from some of the neighborhood's best restaurants and offer an easy commute to the rest of Brooklyn and Manhattan via the nearby A, C and G trains. Located between Downing Street and Classon Avenue, the properties are within walking distance to downtown Brooklyn.

Shawn Safdie worked on this transaction for S3Capital Partners. This is the second

loan S3 Capital has closed with the developers in the past year. In June, S3 Capital provided a loan for the development of seven new townhomes and 43 rental units at 444 Clinton Avenue and 435 Vanderbilt Avenue, also in Clinton Hill.

"We are pleased to continue our productive relationship with the Loketch Group and Meral Property Group," said Robert Schwartz, co-founder and principal of S3 Capital. "These two dynamic properties will bring state-of-the-art architecture and design to the neighborhood."

"S3 Capital Partners is excited to work with the Loketch Group and Meral Property Group, helping to advance their successful development record in Clinton Hill," said Joshua Crane, co-founder and principal of S3 Capital. "There is robust demand for both condos and rentals in Clinton Hill and these high-quality offerings will be embraced by the market."

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.

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

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.