



Queens Plaza South Lands \$148M in Financing

By John Jordan | Northeast



A rendering of Queens Plaza South in Long Island City, Queens

NEW YORK CITY—The 44-story **Queens Plaza South** project got a major infusion of capital. The ownership of the planned rental apartment tower in Long Island City, Queens has secured \$148.45 million in non-recourse construction financing for the venture.

The funding was announced by **Mission Capital Advisors**, which arranged the construction financing for the joint venture between **Property Markets Group**, **Kamran Hakim** and **New Valley, LLC** with **Deutsche Bank**. Deutsche Bank's loan represented 70% of the total capitalization for the project. **NorthStar Realty Finance**, the first mortgage land lender, provided a \$40.25 million mezzanine loan, by subordinating their existing loan to the new first mortgage loan of Deutsche Bank, bringing the total financing to \$188.7 million, or 90% of the total project capitalization, Mission Capital officials say.

The 391-unit project will also include 165 parking spaces and 20,000 square feet of retail space. Amenities will include panoramic views of New York City, a rooftop pool, fitness center, lounge, and children's playroom.

Mission Capital's **Jason Cohen, Ari Hirt, Steve Buchwald** and **Jamie Matheny** represented the borrower. Earlier this year, the same team arranged a \$95-million non-recourse construction loan for 10 Sullivan St. in New York City on behalf of PMG.

"Mission leveraged its depth of relationships to secure the most efficient source of capital for the non-recourse financing. We received a significant amount of interest from lenders, who were impressed with the strength of the sponsor and the quality of the project," says Mission Capital's Hirt.

"Queens Plaza South is anticipated to be one of the premier development projects in Long Island City, and an important step in the continuing development of this neighborhood as one of the most desirable and fastest growing residential communities in New York City," says **Kevin Maloney**, founding principal of PMG. The Queens Plaza South financing brings Mission Capital to approximately \$770 million in construction financing arranged so far this year. With an additional \$250 million signed up with lenders scheduled to close in 2014, the firm will exceed \$1 billion in construction financing transactions.