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WAC closes \$350,000 loan for CT developer

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Greenwich, CT Worth Avenue Capital, LLC (WAC) closed a \$350,000 construction loan for a real estate developer/investor on a new “spec” house. The loan proceeds will be used to complete the construction of the house and the loan is secured by a second mortgage on the “spec” house with an underlying LTV of approximately 42%. The loan was funded by one of WAC’s private investors. The borrower has already completed 75% of construction and WAC’s bridge construction loan will enable the builder to complete the remainder of the construction of the house within the next ninety days.

Since the beginning of the pandemic, the inventory level of houses that are for sale in Greenwich, Connecticut has decreased substantially due to the mass migration of residents who left New York City for towns in lower Fairfield County, Connecticut. As a result, the borrower is in a good position to quickly sell the “spec” house upon its completion due to the low supply of houses in Greenwich, Connecticut that are for sale. There still exists robust demand of new buyers who are seeking to live in what is still considered to be one of the premier addresses in the U.S.

The house is already listed for sale and WAC’s bridge construction loan will be paid off in full upon the sale of the house.

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