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Real estate developer uses Worth Avenue Capital loan to purchase mixed use land in Thompson, CT

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Thompson, CT Worth Avenue Capital, LLC (WAC) closed a \$500,000 bridge loan to a Connecticut-based real estate developer for the purpose of purchasing 152 acres of mixed use land. Upon completing the purchase of the property, the borrower will seek to obtain final approvals from the town to complete a 47 lot subdivision for a residential development.

The loan is secured by a first mortgage on the land that shows an “as is” appraised value of \$1.5 million and, as additional collateral, WAC took a second mortgage on a 12-unit apartment complex in Brooklyn, Conn. that has an NOI of \$4,000 per month. The total underlying LTV on this loan is approximately 26%. Upon obtaining approvals from the town, the market value of the land will increase to \$2.8 million.

The borrower is a repeat customer of WAC who has accessed bridge financing from WAC for multiple transactions. Upon obtaining the final approvals for the subdivision from the town, the borrower expects to obtain construction financing from a conventional lender that will enable them to pay off WAC’s bridge loan in full.