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Worth Avenue Capital provides \$500,000 loan to Florida investor/developer for condominium construction project

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West Palm Beach, FL Worth Avenue Capital, LLC (WAC) closed a \$500,000 “follow on” debt offering to a Palm Beach, Florida based real estate developer/investor. The loan proceeds are being used as additional working capital towards the completion of the construction of a luxury condominium. This loan “dovetails” the initial construction loan of \$4.2 million that WAC originated last May to this borrower on a triplex condominium unit that is located at The Plaza of The Palm Beaches. The aforementioned condominium complex is located on S. Flagler Dr.

The borrower expects to complete the renovations of the above referenced unit by the end of October and will then list this unit for sale. WAC is secured by a first mortgage on this property and the borrower expects that he will be able to sell this condo unit somewhere in the \$11million to \$12 million range. As such, WAC’s underlying LTV in this transaction is in the 43% range or less.

Despite historically high interest rates, luxury condominiums in both greater Palm Beach and South Florida are still in high demand and the timing of the sale of this unit is opportunistic as the “prime season” for real estate sales in South Florida is just beginning.

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