

Madison Realty Provides \$300M Construction Loan for Ceruzzi Midtown East Condo

BY [LAUREN ELKIES SCHRAM](#) AUGUST 2, 2017 10:43 AM



RENDERING OF 138 EAST 50TH STREET.

After footing the bill for the erection of the first 40 stories of a Midtown East residential condominium building, [Ceruzzi Holdings](#) and [SMI USA](#) have secured a \$300 million construction loan to complete the project, Commercial Observer has learned.

[Madison Realty Capital](#) provided the loan for the 72-story, 803-foot tall, 180,000-square-foot condo development at [138 East 50th Street](#) between Third and Lexington Avenues, according to a press release from Ceruzzi and Madison Realty. The debt repaid a \$65M acquisition loan—approximately 50 percent loan-to-value of the \$138M the developers had invested in the property and in pre-development costs, a spokesman for Ceruzzi said. Neither Ceruzzi nor Madison Realty would provide further details on the financing.

There will be 7,500 square feet of retail space at the base as well as a 25-space below-grade parking garage.



138 EAST 50TH STREET. PHOTO: CERUZZI HOLDINGS

Pelli Clarke Pelli Architects designed the façade of the 124-unit residential condo and **Champalimaud** handled the interiors. The building will comprise one- to five-bedroom units, ranging from 777 square feet to 5,388 square feet, spanning approximately 200,000 sellable square feet. Building amenities will include an indoor pool and spa, a fitness center and shared work areas. Completion is slated for late 2018 with the curtain wall currently being raised.

Ceruzzi Founder and President **Lou Ceruzzi** said in prepared remarks that the financing deal was “smooth, efficient and seamless.”

Josh Zegen, the co-founder and managing principal of Madison Realty Capital, noted the deal highlighted his company’s “status as one of the very few single-source financing solution provider for top-tier sponsors like Ceruzzi Properties and their partners.”

Ceruzzi purchased 138 East 50th Street along with **151 East 49th Street** from **Extell Development Company** in August 2013 for \$86.2 million, property records indicate.

KEYWORDS: **138 East 50th Street, 151 East 49th Street, Ceruzzi Holdings, Champalimaud, Extell Development Company, Josh Zegen, Lou Ceruzzi, Madison Realty Capital, Pelli Clarke Pelli Architects, SMI USA**