



**FINANCE & ACCOUNTING**

## **Ceruzzi, SMI USA score \$200M loan for 520 Fifth Avenue**

BY **REW** JULY 14, 2017

Ceruzzi Holdings and SMI USA have secured \$200 million in pre-development financing for their planned new tower at 520 Fifth Avenue.

Holliday Fenoglio Fowler arranged the floating rate loan for the to-be-built, mixed-use property through Mack Real Estate Credit Strategies.

HFF previously brokered the \$325 million sale of the property to the partnership and secured acquisition financing on its behalf.

The proceeds of this loan will be used to repay existing debt, conclude design and move forward with pre-development work.

Ceruzzi's partner, Tom Tao of SMI USA, said, "Mack presented us with exceptional terms and an extremely attractive rate. Mack has performed incredibly well, and we closed the deal less than a month from when we agreed to terms."

President and CEO of Ceruzzi Holdings LLC, Lou Ceruzzi, added, "This transaction was remarkably executed. The timeliness and diligent focus of all parties involved came together to solidify the deal, allowing us to refinance this excellent asset and move along the process on an expedited timeline."

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Situated at the southwest corner of 43rd Street and Fifth Avenue, the development will comprise approximately 425,000 s/f featuring more than 33,000 s/f of Fifth Avenue retail.

The remaining square footage will feature luxury condominiums and a five-star luxury hotel.

520 Fifth Avenue is a 10,625 s/f site with 85 feet of frontage along Fifth Avenue that will provide skyline views once complete. Ground breaking of the vertical development will begin in 2018.

HFF's debt placement team was led by managing director Christopher Peck and senior managing director David Nackoul.

"We were privileged to advise best-in-class sponsors Ceruzzi and SMI USA on this transaction," Peck said. "We look forward to watching the project enhance the Manhattan skyline and applaud Mack for fantastic execution."