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Playhouse Square Secures \$14.8M Loan



Playhouse Square, Westport

Mark Fisher, senior director in the New York office of L.J. Melody & Co., the real estate investment banking arm of CB Richard Ellis, has arranged a \$14.8 million permanent, fixed-rate mortgage loan secured by the 38,941-square foot-Playhouse Square retail property in Westport.

“Although the original loan had six years remaining to maturity, the alignment of the short-term and long-term Treasury rates made prepaying the loan very beneficial to the borrower despite the large prepayment penalty,” said Fisher. “Prepayments are a large part of our business these days because of the unusual yield curve, low long-term rates, low spreads and the phenomenal increase in real estate values.”

The financing was arranged on behalf of HB Nitkin Group, which purchased the property six years ago.

“This high-end retail property has been an excellent performer for us remaining perpetually leased and increasing substantially in value,” said Michael Basile, senior vice president of real estate for HB Nitkin. “It is centrally located directly on Post Road, just a few feet from Main Street.”

Greenwich Capital provided the financing.

“Greenwich Capital continues to do an exceptional job financing all types of income-producing properties,” Fisher said.

“The property’s current value allowed us to cash out and still provide the lender a conservative loan,” Basile said.

HB Nitkin is based in Greenwich and owns and operates more than 750,000 square feet of retail space. It also owns the Greenwich Financial Center office building in Greenwich. H.B. Nitkin is one of Connecticut’s most successful real estate owners/operators, showing some of the highest returns to its investors.

“Brad [Nitkin] seems to have the ‘Midas touch’ when it comes to investing in real estate,” said Fisher. “He’s been incredibly successful and has a long list of satisfied investors to prove it.”

Playhouse Square is a high-end retail facility located at 275 Post Road East. The retail center offers ample parking and is within walking distance to the main shopping area of Main Street. The property is 96 percent occupied with tenants that include Cashmere of Westport, Connecticut Health Food, Danskin Inc. and Splash of Pink.