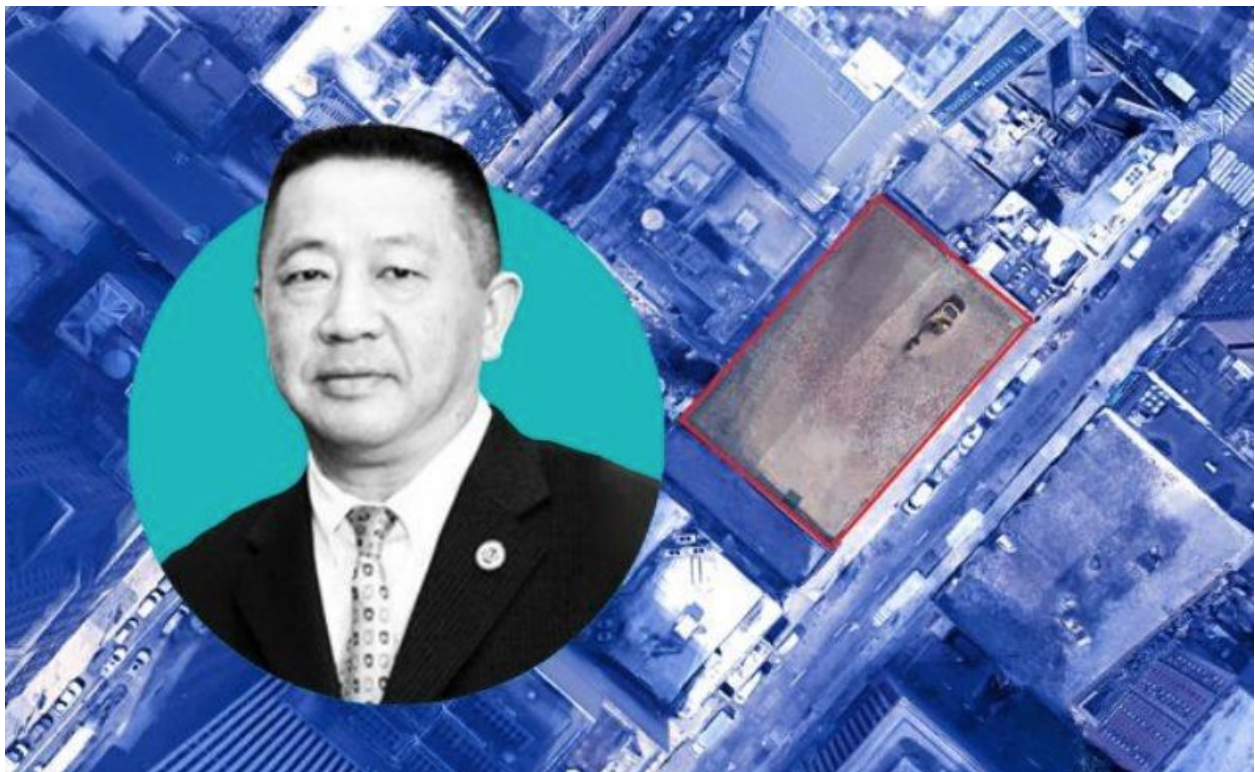


Sam Chang lands \$250M loan for Midtown hotel project

Funding comes from S3 Capital Partners

By Eddie Small

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Sam Chang has landed a \$250 million loan for his upcoming project at 150 West 48th Street from S3 Capital Partners, the company told the Real Deal.

The acquisition and construction loan closed Wednesday for the site that Chang's McSam Hotel Group bought from the Rockefeller Group in October for \$140 million. The developer is expected to build a hotel on the site that could span 276,000

square feet, and construction should start in March.

Representatives for Chang did not respond to a request for comment.

S3 Capital Partners, an arm of Spruce Capital Partners, has worked with Chang before, providing him with a \$76 million

construction loan to top off his hotel at 292 Fifth Avenue in NoMad last October.

Chang, one of the most prolific hotel developers in the city, earlier this year said that was planning to retire. The death knell, he said, was a new law restricting hotel construction in manufacturing zones.

But the hotelier has recently been caught up in some union drama at Club Quarters Wall

Street Hotel, where he reportedly fired the cleaning workers after they voted to join the New York Hotel Trades Council over the summer. Gov. Andrew Cuomo has called on the Department of Labor to investigate the allegations, while Chang's attorney has denied that the McSam Hotel Group fired any of the employees itself.