

Rainmakers In Debt & Equity Finance

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By Erika Morphy February 7, 2020

For much of this cycle there has been a wealth of capital flowing into CRE. But loan originations are only part of the story. The middleman and middlewoman—those arrangers of debt and equity transactions, the people who structure deals and make sure the needs of both borrower and lender have been met—should also take a bow.

Lending sources have continued to proliferate while deal structures have, in many cases, gotten more complicated. Knowing how to navigate this environment is a true and hard won skill.

For the next installment of *GlobeSt. Real Estate Forum's* Influencers series, we are shining a

spotlight on some of the people and firms who have helped to arrange and place these debt and equity offerings. We will profile not only those who have made an impact with their individual efforts, but also teams and groups within relevant companies, as well as entire organizations that have become critical to the industry.

Be it through their contributions to the industry, the vast successes they've racked up in completing deals, or the innovations and best practices they've introduced to the business, these are Commercial Real Estate's Rainmakers in Debt & Equity Finance.



Robert Schwartz

S3 Capital

S3 Capital was established in 2013, when co-founders and managing partners, Robert Schwartz and Joshua Crane identified a lack of institutional quality, middle-market construction lenders in New York City. With extensive backgrounds and superior insight into the financing and development

processes, the firm's knowledgeable team executes the unique ability to handle all aspects of construction lending to maximize efficiency for clients with in-house construction management professionals. Providing fully-integrated services in originations, underwriting and construction monitoring, the firm offers a user-friendly platform by eliminating third-parties from the process. Able to adapt to any complexities that may arise throughout construction, S3 Capital

remains aggressive and nimble in order to resourcefully streamline projects. As one of the most active middle-market, private debt lenders in the industry, the firm holds a current portfolio totaling \$460 million and 160 loans. Since inception, the firm has handled more than 250 first mortgages, completing more than \$1.2 billion in loans. S3 Capital has additionally expanded since 2017 by leveraging its infrastructure to handle larger financings as a special vehicle outside of the fund; closing more than \$500 million in larger balance loans. With larger loans ranging from \$24 million to \$76 million, S3 Capital closed seven loans in the second half of 2018, totaling more than \$300 million. The firm recently provided a \$140 million construction loan to finance two, 25-story mixed-use towers in South Bronx's Mott Haven neighborhood, upon recognizing the area's potential.