

THE NEXT MIAMI

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Foundation Work To Begin Immediately At Elysee Thanks To \$16.5M Loan

By TNM Staff

\$16.5 million in construction financing has been issued to the developer of Elysee.

The loan will fund foundation work. Work will commence immediately.

Vertical construction will begin in 1Q 2018, and will be funded with another loan.



Two Roads Development Secures \$16.5 Million Initial Construction Draw from Mosaic Real Estate Credit for the Development of Elysee Miami

Arquitectonica-designed waterfront condominium tower in downtown Miami's East Edgewater neighborhood will feature 100 luxury residences on Biscayne Bay.

MIAMI, FL – October 5, 2017 – South Florida-based Two Roads Development has secured \$16.5 million in financing from Mosaic Real Estate Credit, LLC (MREC) for the first phase of construction of Elysee, the firm's newest luxury condominium project in downtown Miami's East Edgewater neighborhood. The loan is part of a larger financing facility for the waterfront property, located at 788 NE 23rd Street along Biscayne Bay, and will provide for the immediate advance and installation of pilings and subterranean excavation work, followed by the pouring of the building's concrete foundation. Vertical construction of the 57-story tower will follow in the first quarter of 2018, with completion estimated for 2019.

Elysee is being developed in partnership with entities managed by DW Partners, a New York-based investment firm with more than \$3 billion in assets, and marks the second East Edgewater tower for developer Two Roads Development. In June 2017, the firm celebrated the grand opening of its nearly sold-out Biscayne Beach condominium, a new 52-story luxury tower located at 2900 NE 7th Avenue, which was capitalized by a joint venture with New York-based GTIS Partners.

"Now more than ever, today's lenders are putting added emphasis on properties benefitting from well-capitalized sponsors with credible track records. Two Roads has proven its ability to deliver landmark towers following the success of the firm's Biscayne Beach project, which was completed earlier this year on time and on budget," said Kevin O'Grady, principal with capital brokerage firm Walker Dunlop.

Mosaic Real Estate Credit, LLC (MREC) is a California-based lender which provides first mortgage, mezzanine, and preferred equity financing for developers looking to add significant value, often through ground-up construction, to their properties across the United States. Mosaic was founded in 2015 by Ethan Penner and Vicky Schiff and since inception has originated approximately \$500 million of real estate financing for properties in California, Nevada, Hawaii, Washington, New York, South Carolina, and Florida.

"Our ability to secure favorable construction financing for Elysee stems from the strength of the project's development team, the uniqueness of its waterfront location, and the caliber of our design team led by two of the world's most talented minds in architecture and interior design, Bernardo Fort-Brescia and Jean-Louis

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Deniot,” said James Harpel, senior partner and chairman at Two Roads Development.

Elysee will include 100 half-floor residences measuring between 2,300 and 4,000 square feet in size. Unit prices at the luxury tower range from about \$1.5 million to upwards of \$10 million.

Two Roads Development has assembled a world-class design team for Elysee. Designed by architect Bernardo Fort-Brescia of Arquitectonica, Elysee’s striking three-tiered telescoping shape will provide direct 180-degree bay and city views from every residence. The tower’s elegant design concepts are the creation of Paris-based interior architect and designer Jean-Louis Deniot, who has signed on to imagine the building’s common area amenity spaces.

Luxury residences at Elysee will include floor-to-ceiling glass windows and sliding doors, private elevators and foyers, 10- to 12-foot ceiling heights, designer finishes and fixtures, premium appliances, top-of-the-line Italian cabinetry, as well as two expansive east/west-facing terraces with 180-degree sunrise and sunset views.

The development’s seventh-floor amenity level will include a resort-sized lap pool with a poolside refreshment bar, outdoor summer kitchen and barbecue terrace; waterfront fitness center and yoga studio; spa facilities with private sauna, steam and massage rooms; children’s lounge; and a blow-dry bar. The 30th-floor Owners Sky Lounge will feature sky-high amenities designed for entertaining, home to a Grand Salon lounge area and full bar; a Grand Dining Room with seating for up to 30 guests; a professional-grade chef’s kitchen and chef’s table; and a library/private theater, game room, and wine room.

Elysee’s position in downtown Miami’s up-and-coming East Edgewater neighborhood, where more than a dozen new residential projects are in development, boasts one of the most convenient and geographically-desirable locations in the South Florida region. The four-block-wide piece of land is situated just north of downtown’s central business district and stretches one-and-a-half miles along the city’s bayfront between the Venetian and Julia Tuttle Causeways – two main arteries connecting Miami Beach to the Greater Downtown Miami area. The surrounding neighborhoods of the Miami Design District, Wynwood Arts District, Midtown, and Miami Beach are all within close proximity, providing easy access to Miami’s top destinations for luxury shopping, high-end dining, and world-class arts, culture and entertainment.

Mosaic Real Estate Credit, LLC (MREC) is an affiliate of Mosaic Real Estate Investors and was launched in the spring of 2015 by industry veterans Ethan Penner and Vicky Schiff. During his 35-year career, Penner has been involved in the origination of \$30 billion worth of loans and has been credited with being the creator of the CMBS market. Schiff is a career entrepreneur in the real estate industry, founding four successful businesses over a 25-year career. MREC’s strategy is designed to address the needs of real estate borrowers by providing bridge and construction debt capital to successful real estate entrepreneurs and institutional borrowers aiming to add significant value to their assets through development, redevelopment and repositioning. MREC’s investment can take the form of a first mortgage loan, as well as mezzanine or preferred equity structures.