

Lotus Capital Arranges \$237M in Financing for London Luxury Condo Project

Blimey! An affiliate of Apollo Global Management provided the condo inventory loan for one of the most expensive condominium properties in the world.

BY **CATHY CUNNINGHAM** MARCH 12, 2018 11:10 AM



BELGRAVIA GATE. PHOTO: LOTUS CAPITAL



A little over a year after its launch, **Lotus Capital Partners** has gone global and negotiated a \$237 million (£170 million) financing for **Belgravia Gate**—a 12-apartment, 83,054-square-foot luxury condominium property in Central London—Commercial Observer has learned.

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An affiliate of **Apollo Global Management** provided the condo inventory loan to **Wainbridge**, a private real estate investor, developer and asset manager of landmark properties in Europe and North America whose New York properties include **196 Orchard Street** and **551 West 21st Street**.

Apollo's loan will be used to pay off existing construction debt—provided by a group of European lenders led by **LetterOne**—and carry the project through the units' sell-out period.



The transaction wrapped last Wednesday and the closing marks Lotus' first deal in Europe.

“In arranging capital for this condo inventory deal, Lotus demonstrated its capacity to solve meaningful challenges for sponsors seeking development financing,” **Faisal Ashraf**, Lotus' founder and chief executive officer, said in prepared remarks.

Originally built in 1867, the property is located at **11-15 Grosvenor Crescent** in Belgravia, one of London's prestigious “Golden Postcodes”. **Thomas Juul Hansen** designed the building's 12 luxury apartments, which include three townhouse-style apartments and two penthouse apartments.

Belgravia Gate is among the most expensive condominium properties in the world when measured by average apartment unit value, according to information provided by Lotus.

Apollo's loan is collateralized by nine of those units (three of Belgravia Gate's apartments were sold prior to the financing), giving each remaining unit an average listing price of £19 million (\$26.5 million). One unit was pre-sold in Oct. 2015 for a whopping £32.5 million (\$45 million).

Property amenities include direct, private lifts to each property, a spa, a fitness center, a 57-foot swimming pool and private meeting room facilities.

Wainbridge acquired the property in December 2013 from the **Grosvenor Estate**—a family-owned real estate investment firm with holdings throughout London—for £120.4 million (\$167 million).

Westminster City Council approved Wainbridge's plans to redevelop the existing office building into a super-prime residential property the same year. Construction began in June 2014 and is now in its final stages.

Lotus had to tackle economic uncertainty stemming from [Brexit](#) and the U.K. general election (in June 2017) while putting the transaction together. But, the firm utilized its knack for arranging and structuring capital in ways that reflect clients' complex needs while navigating secular challenges that are unique to each individual project.

“The successful closing of this deal underscores our real estate financing expertise and market credibility among capital sources, both of which are required to arrange and execute on complex deals such as this,” Ashraf said.

New York-based Lotus has also been keeping busy on this side of the pond. Last October, the firm [arranged \\$395 million in financing for the construction and recapitalization of Penn-Florida Companies' Via Mizner](#)—a 2-million-square-foot mixed-use project in Boca Raton, Fla. [Mack Real Estate Credit Strategies](#) provided a \$315 million loan and the [United States Immigration Fund](#) provided an additional \$80 million.

Since its launch, the firm has secured \$1.5 billion in financing and it expects that amount to increase this year, Ashraf said.

Officials at Wainbridge and Apollo did not immediately return a request for comment.

KEYWORDS: [Apollo Commercial Real Estate Finance](#), [Apollo Global Management](#), [Faisal Ashraf](#), [Lotus Capital Partners](#), [Wainbridge](#)

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