

## Delshah lands \$103M construction financing for its DoBro tower

*It was previously in talks with Moinian*

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*A rendering of 22 Chapel Street in Brooklyn and Michael Shah  
(Credit: CityRealty and Delshah Capital)*

[Delshah Capital](#) has landed \$102.5 million in construction financing for its first ground-up development in Brooklyn.

Bank OZK provided a \$62 million senior loan for the rental tower at [22 Chapel Street](#) in Downtown Brooklyn, and Denver-based EverWest Real Estate Partners provided a \$40.5 million mezzanine loan, Commercial Observer reported. The financing has a 42-month term plus two one-year extension options. The deal closed on Dec. 31 and was brokered by JLL's Aaron Appel and Michael Diaz, the report said.

The rental tower, which is Michael Shah's firm is co-developing with OTL Enterprises, will have 180 apartments, 25 percent of which will be part of the Affordable New York housing program. The project will also have 2,000 square feet of retail space, 15,000 square feet of community space and a rooftop pool. Amenities include parking, a fitness center and a playroom.

The land, which also includes a parcel at 50 Flatbush Avenue Extension, is owned by the nonprofit Start Treatment and Recovery Centers, which will be housed in the new building.

Delshah was previously negotiating with the Moinian Group for a \$95 million loan package, but [didn't reach a deal](#).

Bank OZK also lent \$60 million in Delshah's \$115 million acquisition of 30 Morningside Drive in Morningside Heights in 2016. [\[CO\]](#) — *Meenal Vamburkar*