

Monarch Alternative Capital Bolsters Real Estate Debt Investment Program through Recent Lending Solutions

Monarch Completes Three Financings in Hotel Sector Amid Commercial Real Estate Lending Market Disruption

NEW YORK and LONDON
Apr. 1, 2024

PRNewswire

Monarch Alternative Capital LP, a leading investment firm with approximately \$14 billion of assets under management, announced the continued expansion of its real estate debt investment platform through recent customized debt financings for the Hotel 48LEX in New York, Renaissance Las Vegas, and Westin Tampa. Monarch is leveraging its vast experience in commercial real estate debt across primary lending, secondary debt investments, and structured credit to provide flexible financing solutions in large parts of the commercial real estate market impacted by volatile asset prices and a pullback in lending by commercial banks and other market participants. With diversified expertise across various property and instrument types, Monarch is well positioned to provide bespoke solutions that cater to the financing needs of real estate owners.

The three, separate transactions illustrate Monarch's continued ability to source attractive opportunities for high-quality and well-positioned assets in off-market transactions. In Hotel 48LEX, a lifestyle hotel in New York City, Monarch provided a mortgage loan to a borrower operating under a compressed timeline to refinance a pending maturity. The opportunity allowed Monarch to invest in a supply-constrained market at a meaningful discount to replacement cost and to other lifestyle boutique hotel sales in NYC. For the Renaissance Las Vegas, Monarch financed a premier, off-strip, non-casino hotel directly adjacent to the Las Vegas Convention Center, providing a stable and recurring source of demand. Monarch's most recent investment in the Westin Tampa, a full-service hotel on Harbour Island, similarly reflects an opportunity to lend against a high-quality property in an attractive and growing market. Having an established reputation for transacting with speed and certainty of execution, Monarch was viewed as a favorable partner and ultimately awarded the deal.



Adam Sklar, Co-Head of Real Estate and Co-Portfolio Manager at Monarch, said, “The current lending environment strikes us as extraordinarily attractive driven by a few unique factors – reduced competition from traditional lenders such as regional banks, an impending mountain of commercial real estate debt maturities over the next three years, elevated interest rates and lending spreads – and yet operating fundamentals across most property types remain generally solid. We are advantageously positioned to provide flexible capital to help borrowers address their capital needs and growth initiatives.”

With the firm’s long-standing experience in real estate debt and equity, Monarch believes that its core skill set and nimble approach provides a competitive edge for asset types that are in transition, facing liquidity challenges, or require operating expertise. Looking ahead, Monarch is excited to leverage its extensive and broad real estate expertise to participate in the growing debt opportunity within the commercial real estate market, including being a partner of choice in delivering tailored financing solutions.

About Monarch Alternative Capital LP

Monarch Alternative Capital LP is a global investment firm founded in 2002 with approximately \$14 billion in assets under management. Monarch focuses primarily on opportunistic credit and real estate across various market segments and instrument types. Monarch draws on the skills and experience of its employees across its offices in New York, London, and West Palm Beach. For more information, please visit www.monarchlp.com.