

CASE STUDY

111 WALL ST

SITUATION Completed in 1968 as a 24-story office tower along the East River waterfront in Manhattan's Financial District, 111 Wall Street became increasingly challenged as office demand softened and vacancy across Lower Manhattan rose. While the asset no longer met the needs of modern office tenants, residential fundamentals in Manhattan remained durable, particularly for large-scale rental housing.

The project was conceived as an office-to-residential conversion designed to deliver meaningful housing supply while incorporating affordability under New York City's Affordable Housing Conversion Program. The scope of the redevelopment, including a vertical overbuild and a mixed-income unit profile, introduced significant execution and capitalization complexity that required a highly coordinated financing solution.

SOLUTION Walker & Dunlop Capital Markets Institutional Advisory arranged a \$778.6 million non-recourse construction loan, forming the majority of an \$867 million total capitalization. The financing structure included an \$88.4 million existing C-PACE loan extension from Petros, requiring careful integration within the capital stack.

Apollo Global Management led the construction financing, alongside J.P. Morgan Chase & Co. and TYKO Capital as part of a tightly structured institutional lending group. Walker & Dunlop sourced multiple competitive bids from institutional lenders, including life insurance companies, investment banks, and alternative capital providers. The selected structure prioritized execution certainty and flexibility, supported by long-standing lender relationships.

The borrower, InterVest Capital Partners, a global alternative investment manager and repeat Walker & Dunlop client, is developing the project with MetroLoft Development. The redevelopment will deliver a 30-story luxury residential rental community with a five-story overbuild, totaling approximately 1,568 rental units across 899,000 rentable square feet. Twenty-five percent of the units will be designated as affordable for residents earning approximately 80 percent of Area Median Income. The project will also include 7,000 rentable square feet of ground-floor retail.

RESULT 111 Wall Street represents the largest single-building office-to-residential conversion loan in New York City history, and the country. The transaction underscores Walker & Dunlop's ability to execute highly complex, large-scale adaptive reuse financings that combine institutional debt, specialty programs such as C-PACE, and affordability-driven capital considerations.

The deal highlights the firm's platform-level capabilities across capital markets, structured finance, and client advisory, as well as the depth of its relationships with both institutional capital providers and repeat clients. By repositioning an obsolete office asset into a high-density, mixed-income residential community, the project demonstrates how sophisticated capital solutions can address housing supply constraints while extending the functional life of legacy urban real estate.



LOWER MANHATTAN, NYC

1,568 Units

\$867,000,000

**Office-to-Residential
Conversion**

PRESS RELEASE

Largest single-building office-to-residential conversion loan in New York City history, and the country.