

Westchester Developer DeNardo Seeks Bankruptcy to Save Project

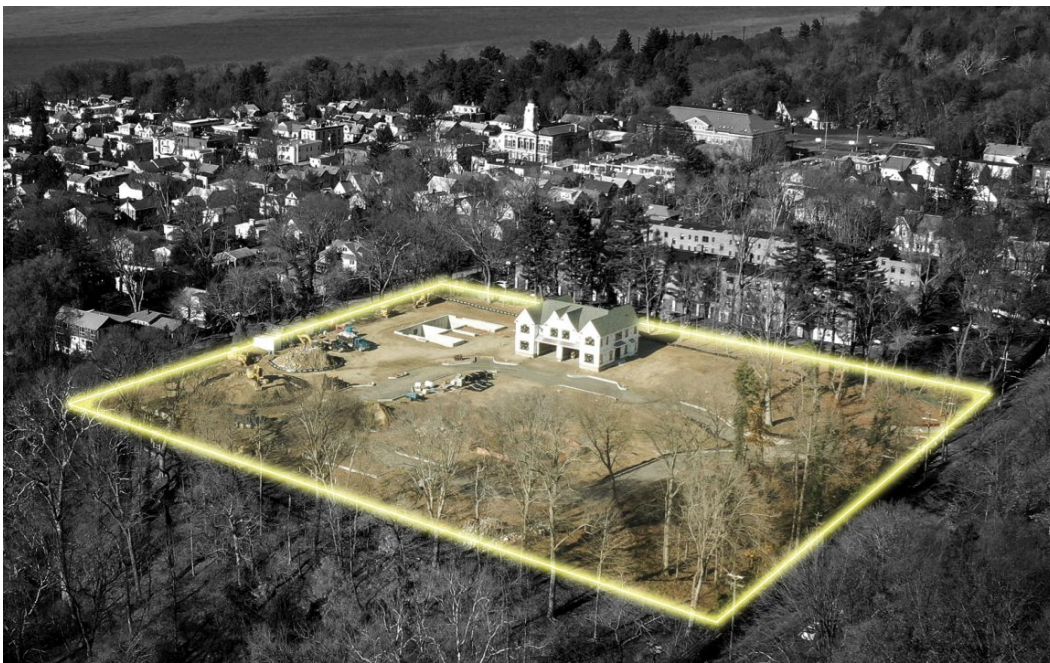
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Tri-State

To stop foreclosure, Westchester condo developer files for bankruptcy

Sale had been scheduled for Feb. 18



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Westchester County developer DeNardo Capital filed for Chapter 11 bankruptcy Tuesday, stopping a planned foreclosure auction on its luxury condo project.

Greenwich, Connecticut-based SilverPoint Capital was planning a UCC foreclosure sale on interests in the Marker 27 project in Irvington, New York. The sale was scheduled for Feb. 18, according to marketing materials reviewed by The Real Deal.

SilverPoint Capital claimed it was owed over \$1 million on a mezzanine loan it provided in 2018. The foreclosure sale would give the new buyer or Silverpoint control of the 252,648-square-foot site, which is near the Hudson River and only 20 miles north of Manhattan.

The planned development was supposed to consist of 12 two-story buildings that resembled single-family homes. In total, there would be 27 condo units, of which six would be affordable.

Buyers had the option of choosing from two floor plans and each unit would have three bedrooms and three and a half bathrooms, according to the marketing materials. Prices for the market-rate condos started at \$1.4 million.

Bloomberg first reported news of the bankruptcy. The Commercial Observer first reported news about the UCC foreclosure action, which was initially scheduled for December.

Rosewood Realty Group's president of bankruptcy and restructuring, Greg Corbin, was marketing the foreclosure sale. Corbin declined to comment.

Irvington, New York-based DeNardo Capital Management's bankruptcy filing said it had between \$10 million and \$50 million in assets and liabilities.

SilverPoint declined to comment. Attorneys representing DeNardo Capital did not immediately return a request for comment.

While a moratorium on traditional commercial foreclosures is in place, lenders are allowed to proceed with UCC foreclosures as these actions can bypass state courts.

Other New York developers have filed for bankruptcy to avoid a UCC foreclosure. For example, the owner of the Tillary Hotel in downtown Brooklyn filed for Chapter 11 in December the same day that a UCC foreclosure sale was planned.

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