

## Melo Group lands \$142M refi for Art Plaza

*667-unit development opened in June and is now 95% leased*

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*From left: Peter Mekras, Martin Melo, and Carlos Melo, with Art Plaza*

The Melo Group closed on \$142 million in refinancing for Art Plaza in downtown Miami's Arts & Entertainment District.

The loan comes a year after Melo closed on a similar, [\\$142 million](#) refinancing of Square Station, a two-tower, 710-unit apartment development at 1424 Northeast Miami Place.

The latest refinancing is for Art Plaza, a 667-unit apartment project at 58 Northeast 14th Street with 15,000 square feet of retail space. Freddie Mac is providing the 10-year loan with a fixed-rate of 3.5 percent. Berkadia's Miami acted as the seller servicer. Peter Mekras of Aztec Group arranged the financing, which is interest-only during the term of the loan. Mekras also arranged the Square Station debt, in addition to other loans for Melo.

Melo delivered Art Plaza in June and the project is now 95 percent leased, according to a release. Rents at Art Plaza range from \$1,600 to \$2,560, according to Apartments.com. Melo financed construction with an \$85 million construction loan from Ocean Bank.

Mekras said the refinancing will be used partially to pay off the construction loan. He said there was "tremendous appetite in the market" for the debt and that it came down to selecting a lender with the right terms and debt covenants.

Miami-based Melo has been bullish on building rentals north of downtown Miami. Over the past two years, the developer completed Melody, Square Station and Art Plaza, and the firm is currently building Miami Plaza, all totaling about 2,500 apartments.

In April, Melo closed on a [\\$62.7 million](#) loan for Miami Plaza. The 36-story, 437-unit rental tower at 1502 Northeast Miami Place is expected to be delivered in mid-2020.

Melo, led by [Carlos Melo](#), Martin Melo and Jose Luis Melo, quickly pivoted from condos to apartments when the luxury condo market slowed down a few years ago. It looks like the company is now working on plans for new condo projects. In August, it [filed plans](#) for Island Bay, two 60-story waterfront residential towers in Edgewater.