



Pembroke provides Phoenix Realty with \$10.5m secured line of credit

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Pembroke Capital Management has provided a \$10.5 million secured line of credit to NY-based Phoenix Realty Group to serve as a bridge loan for four affordable and workforce housing properties, three in N.Y.C. and one in Richmond, Va. The line will provide bridge financing to Phoenix Realty for three properties, to be repaid from proceeds of a tax credit syndication. The loan may provide mezzanine financing for a fourth property. The transaction brings back together Stuart Boesky, the founder and CEO of Pembroke Capital, who was formerly the CEO of CharterMac (now Centerline Capital Group) and Michael Fried, the CEO of Phoenix Realty, former CEO of Related Capital Co., a company which was acquired by CharterMac.

The three affordable housing properties involved in the transaction benefit from low-income housing tax credits. Two are Section 8 federally subsidized low-income housing complexes situated in Brooklyn, both being marked-to-market in anticipation of the renewal of subsidy contracts. The third is an affordable housing complex in Richmond, Va. The fourth property that may be included in the transaction is a for-sale, workforce-housing complex in Harlem.

The specific properties are as follows: The first property is Albany Crossing, a 92-unit affordable housing complex situated on Albany St. in Brooklyn. The mid-rise buildings have studio to two-bedroom apartments. The second property is Kingston Height, a 132-unit complex lying along Kingston, Decatur and MacDonough Sts. in Brooklyn, also mid-rise buildings, with studio to three-bedroom units. Both properties will undergo revitalizations.

The third affordable housing property is Andover Place in Richmond, located at 2823 Fairfield Ave. The building has 192 garden apartments ranging from one to three bedrooms in size. The multifamily property will undergo a rehab with planned renovations.

The revitalizations of all three affordable housing properties are expected to be complete in 18 months.