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**PEMBROOK FINANCES PRESERVATION OF AFFORDABLE HOUSING IN  
CHICAGO'S GOLD COAST HISTORIC DISTRICT**

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*Provides \$16.6 Million Loan to NHP Foundation for Acquisition of Mark Twain Hotel, Helping City Maintain Supply of Well-Located Affordable Apartments in Accordance with 2014 SRO Preservation Ordinance*

**May 31, 2016 – Chicago, IL** – Pembrook Capital Management LLC (“Pembrook”), through its third commercial real estate debt fund, provided a \$16.6 million loan to finance a transaction that preserves 152 units of affordable housing in the Gold Coast neighborhood of Chicago. Pembrook, a commercial real estate investment manager and balance-sheet lender, funded the acquisition by The NHP Foundation of the Mark Twain Hotel, a Single-Room Occupancy (“SRO”) property at the intersection of North Clark and West Division Streets, directly above the Red Line CTA station. The NHP Foundation will maintain the property as affordable apartments pursuant to Chicago’s new Single-Room Occupancy Preservation Ordinance.

“The issue of affordability is very real for residents of American cities as rents and property values rise,” said Stuart J. Boesky, CEO of Pembrook. “After losing 2,200 SRO units between 2011 and 2014, Chicago has taken action to preserve this essential housing resource for the working poor in valuable locations throughout the City. Pembrook is proud to participate in this historic transaction, which is among the first to close under the City’s new SRO rules. The deal brought together public, private, and not-for-profit parties – including Mayor Emanuel, Alderman Burnett and the city government, The NHP Foundation, and our local investment partner BMO Harris – to achieve a positive outcome.” The Chicago Community Loan Fund, Bellwether Enterprise Real Estate Capital, US Bank, and the City of Chicago Department of Planning and Development also contributed financial resources to the acquisition of the property.

“Since 1932, the Mark Twain Hotel has been a landmark of the Gold Coast neighborhood. The acquisition and renovation of the property by The NHP Foundation is an incredibly exciting project for all parties involved,” NHPF’s President and CEO Richard Burns, said. “We are proud to be a part of Chicago’s efforts to preserve its affordable housing and we are delighted with the opportunity to significantly improve the property while providing a better quality of life for the residents.”

“Our relationship with Pembrook provided an opportunity for us to help preserve affordable rental housing options, while working with an experienced commercial real estate investment management company that has a strong track record of success,” added Carl Jenkins, Managing Director, Community Investments, BMO Harris Bank. “We are pleased that the well-located property will continue to provide local residents with access to affordable apartment units.”

Mark Twain Hotel is located at 111 West Division Street. Originally built in 1932, the approximately 58,000 square foot building has 152 SRO units and over 9,000 square feet of retail space on the ground floor. The Red Line station beneath the building underwent a complete \$50MM renovation in September 2015, including installation of elevators and escalators, a new entrance at LaSalle & Division, and a new 8,000 square foot mezzanine. The property is well-located in a mixed use neighborhood and is across from The Sinclair, a residential tower and Jewel/Osco supermarket project that will be completed in 2017.

The NHP Foundation is working on the redevelopment phase for the project, with plans to add kitchens to each unit and community space to the property. Construction is anticipated to begin in 2017 with the goal of limiting displacement for existing residents. The property will be included in the National Register's Proposed *Residential Hotels in Chicago, 1900–1930* group designation, which recognizes this class of accommodation from this era as historically significant.

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#### **About Pembroke Capital Management, LLC**

Founded in 2006 by Stuart J. Boesky, Pembroke Capital Management invests in and originates commercial real estate debt to finance all parts of a capital structure including first mortgages, mezzanine, bridge loans, note financings, and preferred equity across the United States. The firm invests in most commercial real estate property categories, including multifamily, office, retail and industrial. For more information visit <http://www.pembrookgroup.com/>.

#### **About The NHP Foundation**

For more information visit <http://www.nhpfoundation.org/>.

#### **About BMO Harris Bank**

BMO Harris Bank provides a broad range of personal banking products and solutions through more than 600 branches and approximately 1,300 ATMs in Illinois, Wisconsin, Indiana, Kansas, Missouri, Minnesota, Arizona and Florida. BMO Harris Bank's commercial banking team provides a combination of sector expertise, local knowledge and mid-market focus throughout the U.S. For more information about BMO Harris Bank, go to the [company fact sheet](#). Banking products and services are provided by BMO Harris Bank N.A. and are subject to bank or credit approval. BMO Harris Bank® is a trade name used by BMO Harris Bank N.A. Member FDIC. BMO Harris Bank is part of BMO Financial Group, a North American financial organization with approximately 1,600 branches, and CDN \$699 billion in assets (as of January 31, 2016).