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PEMBROOK FACILITATES PRESERVATION PLAN FOR 160 AFFORDABLE HOUSING UNITS IN WASHINGTON, D.C. BY PROVIDING ACQUISITION BRIDGE LOAN TO NON-PROFIT DEVELOPER

*Bridge Funding From Private Lender Supports Larger Plan For Future Renovations
Through Tax-Exempt Bond Issuance and Re-Syndication Under LIHTC Program*

May 4, 2017 – Washington, D.C. – Pembrook Capital Management LLC (“Pembrook”) announced the closing of a \$15.25 million first mortgage bridge loan for the acquisition of a 160-unit affordable apartment building known as Mass Place, located at 1111 Massachusetts Avenue, NW in Washington, D.C. The financing from Pembrook facilitates a larger plan by the sponsor to undertake extensive renovations via a tax-exempt bond issuance and re-syndicate the property under the Low-Income Housing Tax Credit (LIHTC) program. The sponsor is National Housing Trust - Enterprise Preservation Corporation (NHT-E), a Washington D.C.-based national not-for-profit affordable housing preservation owner and developer.

“A significant volume of affordable housing properties financed via LIHTC are reaching the end of the 15-year compliance period, and as such can be candidates for rehabilitation and re-syndication,” said Stuart Boesky, CEO of Pembrook. “The Pembrook team is well-versed in affordable housing finance, and we can close expeditiously. As tax credit executions take a little longer with the uncertainty of tax reform, we can provide bridge financing that allows affordability to be preserved. We’re dedicated to providing flexible financing solutions for experienced affordable housing sponsors, and this transaction is a great example of what we can do.”

Mass Place Apartments is a 160-unit, 10-story apartment building constructed in 1965 and renovated in 2011. The property contains nine one-bedroom units and 151 studio units and has a current occupancy rate of 96.9%. It is situated on a half-acre site near Logan Circle in an upper income neighborhood of downtown Washington, D.C. with great access to transportation, jobs, and other opportunities. Accordingly, this is a vitally important affordable housing preservation project as 100% of the units are rented to tenants earning no more than 60% of Area Median Income. NHT-E intends to substantially renovate and improve the property in the future, and the acquisition supported by the bridge loan from Pembrook is the first step in the overall plan. They expect that renovations will improve energy efficiency in the building by 20-30%.

“Today’s affordable housing finance environment is more complex than ever in light of the political shift in Washington along with potential corporate tax reform. Pembrook was able to very quickly get comfortable with the prospects for a successful re-syndication and rehabilitation of this exceptional property. Sponsorship is also key in the current environment and we are thrilled to be working with such an outstanding affordable housing preservation group as NHT-E,” said Terry Baydala, Managing Director, Originations at Pembrook.

NHT-E is a not-for-profit organization founded in 1999. NHT-E's mission is to preserve and improve affordable multi-family housing throughout the U.S. NHT-E has preserved and improved more than 5,000 affordable homes in nine states including Texas, Florida, Virginia, Pennsylvania, Illinois, Maryland, South Carolina, Missouri, Michigan, and the District of Columbia. The National Housing Trust is dedicated to sustainable development that reduces energy use and creates a healthier living environment for families and children. It has a national reputation as a highly-accomplished, well-known, award-winning national organization dedicated to the preservation of affordable multifamily housing.

In addition to the Pembroke loan and sponsor equity, Local Initiatives Support Corporation ("LISC") is providing a \$7.5 million second mortgage.

Pembroke is a real estate investment manager that provides financing throughout the capital structure. The firm has originated or participated in investments totaling over \$1 billion since it began investing in 2007.

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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. <http://www.pembrookgroup.com/>