

# Commercial Mortgage

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THE WEEKLY UPDATE ON REAL ESTATE FINANCE AND SECURITIZATION **ALERT**

## Pembroke Funds Luxury NY Condos

**Pembroke Capital** has originated a \$47.1 million bridge loan on the unsold portion of a luxury residential-condominium building in the Chelsea section of Manhattan.

The two-year loan is backed by the 28 unsold condos at the 54-unit building, at 100 11th Avenue. The coupon is fixed in the low teens. The borrower, **Cape Advisors** of New York, used the proceeds to pay off existing debt.

Cape began developing the property in 2006, but construction woes caused the scheduled 2008 completion to slip until March of this year. Cost overruns pushed the total development expenses past \$200 million.

The original construction financing of \$110 million was provided in 2006 by **iStar Financial** of New York. That loan was paid off in the first quarter. Pembroke's loan was used to pay off a mezzanine loan of roughly \$35 million from an unidentified lender and to cover remaining construction costs.

An article in **The Wall Street Journal** in 2008 said that Cape had invested \$19 million of equity in the property.

Asking prices have ranged from about \$3.5 million for two-bedroom units to \$7.5 million for four-bedroom units. There are also two penthouse apartments, still unsold. One is listed at \$16.9 million and the other, with 4,700 square feet, has a \$22 million asking price.

Amenities include floor-to-ceiling windows, balconies, and bathrooms outfitted with touch-sensitive fixtures with computerized water flow and temperature sensors.

The building, which has a LEED energy-efficient certification, is at West 19th Street and faces the West Side Highway. Some units have views of the Hudson River.

Cape, which was founded in 1995 by **Craig Wood** and **Curtis Bashaw**, has developed residential, retail and hotel properties in New York and New Jersey.



New York-based Pembroke was launched in 2006 by former **CharterMac** chief executive **Stuart Boesky**, with backing from **Mariner Investment** of Harrison, N.Y. Pembroke originates senior and subordinate mortgages. It also makes preferred-equity investments. ♦