



Churchill Receives \$35 Million To Develop Project Near Penn Station

JULY 12, 2018 BY [BETSY KIM](#)

Pembroke Capital Management provided Churchill Real Estate Holdings financing for a retail and office project at 257-263 W. 34th St.



257 W. 34th St./ Google maps

NEW YORK CITY—Pembroke Capital Management closed a \$35 million, first mortgage, bridge loan to refinance and recapitalize a new retail and office construction project in the Garment District. The site is located at 257-263 W. 34th St., between Seventh and Eighth avenues, just north of Penn Station.

Although Pembroke would not disclose the borrower's identity, the *Commercial Observer* reported that the private equity fund lent \$35 million against Churchill Real Estate Holdings' retail construction project at 259-261

W. 34th St. The article noted that Cornell Realty Management transferred the deed for the property to Churchill this week but no purchase price was listed.

Pembroke announced its loan will refinance the existing debt and allow the developer to begin construction on the project. Upon completion, a new six-floor 40,542 square-foot building is expected to include 15,328 square feet of ground floor and cellar retail space, plus 25,125 square feet of office space spanning the second through sixth floors. The retail component will have 80 feet of street frontage. The lender expressed optimism about both the retail and office assets. Close to the Moynihan Station in the James A. Farley Post Office, Madison Square Garden and Hudson Yards, the location bodes well for accessibility and foot traffic.

In 2014 and 2015, the Chetrit Group and Cornell purchased several adjoining lots on W. 34th Street, according to Real Capital Analytics. Crain's reported in 2016, Cornell took out a \$48.5 million bridge loan from Madison Realty Capital to buy the property at 257-263 W. 34th St.