

FROM: **PEMBROOK CAPITAL MANAGEMENT**
767 Third Avenue – 18th Floor
New York, NY 10017

Contact: Great Ink Communications – 212-741-2977
Roxanne Donovan (Roxanne@Greatink.com)
Eric Waters (Eric.Waters@Greatink.com)
Tom Nolan (Tom@Greatink.com)

FOR IMMEDIATE RELEASE

**PEMBROOK ARRANGES FINANCING FOR A KANSAS CITY APARTMENT
REHABILITATION PROJECT
THROUGH ACQUISITION OF \$32 MILLION TAX-EXEMPT BOND**

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Facilitates \$60 Million Redevelopment Venture in Emerging Neighborhood

February 2, 2012 – New York, NY – Pembroke Capital Management LLC (Pembroke), a commercial real estate investment manager that provides financing throughout the capital structure including first mortgages, mezzanine, bridge loans, as well as preferred equity across the United States, announced the completion of a \$32 million tax-exempt financing transaction that facilitates Antheus Capital's redevelopment of a 600-unit apartment portfolio in Kansas City, MO.

"We are pleased that Pembroke could be a key player in this project," said Stuart J. Boesky, Pembroke's President and Chief Executive Officer. "In this economic environment, developers and owners need experienced, resourceful financing partners who provide them with access to new capital sources. In this instance, Pembroke had the opportunity to bring its tax-exempt financing expertise and investment relationships to the table, and we believe the result exemplifies our teams' market leadership in this complex area."

"On a difficult deal in challenging times, it was incredibly important to assemble the right team to execute our financing," added Eli Ungar, a Partner with Antheus. "We're very happy with the ultimate results." Known as the Commonwealth Portfolio, this 600-unit group of 11 historic prewar buildings located along Armour Boulevard in Kansas City has been acquired by an affiliate of Antheus Capital, LLC for \$60.5 million. The properties, largely unoccupied currently, are in a well-located, emerging area of Kansas City situated between the CBD and the popular Country Club Plaza area. The developer is renovating the entire portfolio, which will be brought back to the market as rentals in a neighborhood that is becoming popular with young professionals.

"Reduced home ownership in the U.S. has significantly increased the demand for rental apartments, but development of multifamily property is still constrained by a relative lack of financing. We believe these trends will cause multifamily investments to outperform in 2012 and beyond," noted Patrick J. Martin, President of Pembroke Multifamily Capital, LLC, the subsidiary of Pembroke which focuses on multifamily tax-exempt bond financing and community development. "We are very pleased to be a part of this

transaction, considering its strong sponsor, creative financing, and location with great fundamentals.”

Pembrook originated and participated in the purchase of a \$32 million tax-exempt private activity bond, which was partially financed by a large financial institution. The bond was issued by the Industrial Development Authority of the City of Kansas City, Missouri and is secured by a first mortgage on the portfolio. The proceeds of the bond issue will be used for ongoing renovations of the portfolio of properties.

In addition to the tax-exempt piece arranged by Pembrook, the Commonwealth Portfolio is financed through equity from the sponsor as well as a grant from the city, and a federal and state historic tax credit equity commitment by U.S. Bancorp Community Development Corporation (USBCDC), a wholly owned subsidiary of U.S. Bank. In addition, the city is providing an 18-year tax abatement for the properties.

“We’re committed to supporting the redevelopment of historic buildings into useful properties that help revitalize communities across the country,” added Steve Kramer, Senior Vice President of USBCDC. “Restoration of the Commonwealth Portfolio creates much-needed affordable housing opportunities for Kansas City residents. We expect that the multi-faceted financing now in place will build further momentum toward successful completion of the project.”

At Pembrook, Mr. Boesky leads a team of 11 professionals in managing the firm’s investments. In the last four years, Pembrook has originated or participated in 36 investments with total capitalization of approximately \$1.54 billion nationwide and continues to actively invest in new senior mortgage, mezzanine, and preferred equity positions. Pembrook expects to rapidly expand its tax-exempt financing activities during 2012.

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Pembrook Capital Management, LLC (“Pembrook”)

Founded in 2006 by Stuart J. Boesky, Pembrook invests in and originates commercial real estate debt to finance all parts of a capital structure from first mortgages, mezzanine, bridge loans and commercial mortgage-backed securities, as well as preferred equity and loans for real estate operating companies.

Pembrook invests in most commercial real estate property types, including multifamily, office, retail and industrial, in addition to affordable and workforce housing, medical office, military housing, housing finance bonds and multi-family housing bonds. The firm is committed to being socially responsible while making astute investments, and has provided capital to underserved property sectors and geographic locations. Since its founding, Pembrook and its affiliates have sourced and reviewed over \$9 billion of commercial real estate investment opportunities. Pembrook has 11 employees and has offices in New York and Boston.