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**Two of Affordable Housing Industry's Most Seasoned Pros Team  
Again Under New Firms  
-- Pembroke Capital Provides Phoenix Realty with \$10.5 Million for  
Affordable Multifamily in NYC & Virginia --**

New York City – Pembroke Capital Management (“Pembroke Capital”), a real estate investment fund management company with a core focus on socially responsible investing, announced that it has provided a \$10.5 million secured line of credit to NY-based Phoenix Realty Group to serve as a bridge loan for four affordable and workforce housing properties, three in New York City and one in Richmond, Virginia. The line will provide bridge financing to Phoenix Realty for three properties, to be repaid from proceeds of a tax credit syndication. In addition, the loan may provide mezzanine financing for a fourth property. The transaction brings back together two of the most important names in the affordable housing industry: Stuart J. Boesky, the founder and CEO of Pembroke Capital Management, who was formerly the CEO of CharterMac (now Centerline Capital Group) and; Michael Fried, the CEO of Phoenix Realty Group, who was previously CEO of Related Capital Company, a company which was acquired by CharterMac.

“By teaming together for this transaction, as founders of Pembroke Capital Management and Phoenix Realty Group, we are returning to the roots on which our success has been predicated for over two decades – community revitalization,” said Stuart J. Boesky, founder and CEO of Pembroke Capital Management. “We’ve come full circle, having both helped grow a small, entrepreneurial firm called Related Capital Company into the powerhouse that became CharterMac, both then leaving the firm at different times to start entrepreneurial endeavors, and now teaming up yet again on what we hope will be a long string of successful transactions.”

The three affordable housing properties involved in the transaction benefit from low-income housing tax credits. Two are Section 8 federally subsidized low-income housing complexes situated in Brooklyn, New York, both currently being marked-to-market in anticipation of the renewal of subsidy contracts. The third is an affordable housing complex in Richmond, Virginia. All three of the properties serve their respective communities with much needed affordable housing; in each case all of the residents earn 60% or less of the area media income. The fourth property that may be included in the transaction is a for-sale, workforce-housing complex in the Harlem section of New York City.

The specific properties are as follows: The first property is Albany Crossing, a 92-unit affordable housing complex situated on Albany Street in Brooklyn. The mid-rise buildings have studio to two-bedroom apartments with rents expected to range from \$744 per month to \$1106 per month. The second property is Kingston Height, a 132-unit complex lying along Kingston, Decatur and MacDonough Streets in Brooklyn, also mid-rise buildings, with studio to three-bedroom units and rents similar in range as with Albany Crossing. Both properties will undergo revitalizations in 2008 that include new or upgraded roofs, facades, common areas, mechanical systems, boilers, and elevators. In addition, as necessary, apartments will receive new windows, flooring, kitchen cabinets, appliance and countertops, along with revitalized bathrooms.

The third affordable housing property is Andover Place in Richmond, Virginia located at 2823 Fairfield Avenue. The building has 192 garden apartments ranging from one to three-bedrooms in size. Monthly rents are expected to range from \$716 to \$943. The multifamily property will undergo a significant rehab in 2008 with planned renovations including upgrading the clubhouse, its fitness center and kitchen, replacing doors and windows, and renewing the parking lot, fencing and landscaping among other exterior improvements. In-unit improvements will include renovated kitchens with all new appliances, renovated bathrooms, new carpeting and new air conditioning/furnace units. The revitalizations of all three affordable housing properties are expected to be complete in approximately 18 months.

Prior to forming Phoenix Realty Group in September, 1999, Mr. Fried was the founder, President and CEO of Related Capital Company, where he worked for 20 years. Mr. Fried grew the firm from a two-person real estate finance company into a full-service real estate financial services banking firm with over 125 employees and over 1,000 properties acquired at costs exceeding \$8 billion. Mr. Boesky, continued that success as CharterMac's CEO, growing the firm into a powerhouse with over 500 employees and \$24 billion in real estate assets owned and a market capitalization (NYSE: CHC) of over \$3 billion.

Phoenix Realty Group, [www.phoenixrg.com](http://www.phoenixrg.com), is a national real estate investment firm providing capital and expertise to urban developers focused on middle-market, for-sale and rental housing; low-income tax-credit housing; and community revitalizing commercial projects. Phoenix Realty Group has attracted significant institutional investment from many of America's leading pension funds, banks and insurance companies. Phoenix Realty Group, headquartered in New York, currently manages private equity and tax credit real estate funds that together will provide nearly \$3 billion in housing and community revitalizing commercial properties.

Pembroke Capital Management is a real estate investment management company that provides capital to developers and owners of real estate on a national basis through the acquisition and/or origination of structured real estate debt and preferred equity. The company is a pioneer in community development,

providing capital to underserved geographic locations such as assets in urban locations or in revitalization zones, and underserved property sectors such as assets in domestic emerging markets, affordable housing and other community-related investments. Pembrook Capital's investments range from bridge and mezzanine financing for hotels, retail and multifamily, to housing authority bonds, preferred equity and more. Pembrook Capital is a strategic partnership with Mariner Investment Group, Inc., a major institutional fund manager that along with its affiliates manages more than \$13 billion in assets. Pembrook Capital is a subsidiary of The Pembrook Group, [www.pembrookgroup.com](http://www.pembrookgroup.com) and headquartered in New York.

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