

WIEN & MALKIN STRATEGIC CAPITAL



WIEN & MALKIN STRATEGIC CAPITAL II & III

Wien & Malkin Strategic Capital II & III have recently funded an eight-year unsecured loan to one of the nation's largest developers of quality affordable housing for the recapitalization of eight multi-family communities located throughout the southeast.

The borrower will pay on an interest-only basis in the first year, and then the loan will be fully amortized over the remaining seven years, with no balloon payment due at the end of the term. Serving as collateral for the loan is a portion of the cash distributions and other economic rights attached to the eight multi-family developments. The communities, which total 2,032 apartments, were all built within the last seven years and have occupancy rates in excess of 95%.

George S. Perry, Senior Vice President and Director of Investments for W&M Properties, which sources and structures investments for the Strategic Capital program notes, "this unique unsecured loan structure is a typical example of how Strategic Capital creativity fills the need for special-purpose entrepreneurial capital in the real estate industry."

In addition to making loans, Strategic Capital also provides funds by taking preferred-equity positions, which can be helpful to property owners with mortgage conduit loans that bar them from assuming additional debt.

Wien & Malkin Strategic Capital thanks Jayson N. Schwartz of Cooper-Horowitz, Inc. who acted as the broker for this transaction.