

PRESS RELEASE

Merchants Capital Provides \$35MM+ Agency Funding for 133-unit Multifamily Homeless Shelter in Queens

NEW YORK (May 8, 2020) – Mortgage banking company [Merchants Capital](#) has secured \$35.4 million in agency funding for a 133-unit multifamily transitional housing facility located on Jamaica Avenue in the Queens neighborhood of New York City. The project – known as Jamaica Apartments – is at the forefront of New York City’s asserted strategy for contending with and eradicating homelessness.



The seven-year agency funding and immediate [Freddie Mac Optigo®](#) Targeted Affordable Housing Capital Markets Execution (TAH-CME) cash loan was secured on behalf of Freddie Mac and Bayrock Capital. This transaction represented another opportunity for Merchants Capital and Freddie Mac to establish themselves as a key counterparty and partner in financing multifamily shelters

that serve New York City’s homeless population. In 2019, Freddie Mac and Merchants Capital worked together to provide \$51 million in agency funding for another transitional housing facility, [267 Rogers](#).

“A project of this magnitude and significance, especially during the COVID-19 crisis, is needed now more than ever,” said Merchants Capital Vice President Michael Milazzo. “The Right to Shelter obligation, which provides safe, multifamily housing with no required tenant contributions for homeless New Yorkers, is crucial as many Americans are out of work or otherwise struggling financially throughout these unprecedented times.”

All residents of Jamaica Apartments are given access to social services and mental health counseling, as well as education and career training to help them get back on their feet. Each unit has its own private bathroom and kitchen.

The two-building property was effectively built as a 133-unit multifamily development that partnered with the New York City [Department of Homeless Services](#) (DHS) to offer transitional

housing to homeless families. The entire property offers truly affordable housing, as 100% of the units are reserved for transitional housing.

In April 2016, New York City Mayor Bill de Blasio announced a major restructuring of the way homeless services in New York City are delivered. The city plans to open approximately 20 new multifamily transitional housing shelters annually over the next five years to reach its goal of opening approximately 90 new shelters. Jamaica Apartments represents one of the multifamily transitional housing shelters that New York City is utilizing to eradicate homelessness in the future.

Others involved in the project include CORE, a community-based, non-profit human services organization whose mission is to empower individuals, families and communities to live productive lives, and Brook Hollow Capital, a boutique mortgage brokerage based in Mahwah, New Jersey, which helped to manage the closing process.

To learn more about Merchants Capital and its services, visit www.merchantscapital.com or find Merchants Capital on [Facebook](#), [Twitter](#) and [LinkedIn](#).

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ABOUT MERCHANTS CAPITAL

Established in 1990, Merchants Capital is one of the nation's top lenders for the refinance, acquisition, new construction and substantial rehabilitation of multifamily, affordable, senior and student housing. Whether you are considering Freddie Mac, Fannie Mae, HUD/FHA insured or balance sheet financing, let our personalized services help you meet your financing objectives. Experience the creativity of a small lender, with all the capabilities of a large institution. To learn more about Merchants Capital, visit www.merchantscapital.com.

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