

NEWS RELEASE



Kenji Tamaoki
Executive Director,
Agency Originations, PGIM
Real Estate

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PGIM Real Estate arranges \$106M Fannie Mae credit facility for nine affordable housing properties

NEWARK, N.J., October 20, 2021 – PGIM Real Estate has arranged a \$106.763 million Fannie Mae credit facility on behalf of a nationwide owner and operator of affordable housing communities for a nine-property multifamily affordable housing portfolio located across Texas, New Mexico and Colorado. [PGIM Real Estate](#) is the real estate investment and financing business of PGIM, the \$1.5 trillion global investment management business of Prudential Financial, Inc. ([NYSE: PRU](#)).

The properties—encompassing more than 1,200 affordable units—are located in five different urban centers, all with strong demand for affordable housing. The 30-year fixed-rate loan will be used to repay existing debt and provide cash out that will be used to fund additional property acquisitions. The sponsor hopes to acquire enough properties to add \$100 million or more of new debt to the facility over the next three to five years.

“This transaction’s success is a testament to our experience working together with strong sponsors and Fannie Mae to execute large and complex transactions that benefit both borrowers and tenants,” said Kenji Tamaoki, executive director of Agency Originations at PGIM Real Estate who originated the loan on the firm’s behalf. “For relatively little cost, the sponsor will have funds to improve the properties, provide better conditions for their residents, and expand their portfolio. When it came time to recapitalize, the sponsor chose us because we were able to offer a low interest rate, full leverage and the loan documents were pre-negotiated, allowing for quick acquisitions and refinances.”

Fannie Mae’s credit facility is geared toward giving borrowers the flexibility to manage debt across an entire multifamily portfolio to help achieve their long-term goals, allowing a combination of variable- and fixed-rate debt with laddered maturities and flexible post-closing features.

“Fannie Mae’s Credit Facilities are a great tool for financing affordable housing,” said Angela Kelcher, Senior Director, Multifamily Affordable Housing at Fannie Mae. “We are excited to work with PGIM Real Estate on this project to bring more affordable housing to these communities.”

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ABOUT PGIM REAL ESTATE

As one of the largest real estate managers in the world with \$195.4 billion in gross assets under management and administration,¹ PGIM Real Estate strives to deliver exceptional outcomes for investors and borrowers through a range of real estate equity and debt solutions across the risk-return spectrum. PGIM Real Estate is a business of PGIM, the \$1.5 trillion global asset management business of Prudential Financial, Inc. ([NYSE: PRU](#)).

PGIM Real Estate's rigorous risk management, seamless execution, and extensive industry insights are backed by a 50-year legacy of investing in commercial real estate, a 140-year history of real estate financing,² and the deep local expertise of professionals in 32 cities globally. Through its investment, financing, asset management, and talent management approach, PGIM Real Estate engages in practices that ignite positive environmental and social impact, while pursuing activities that strengthen communities around the world. For more information visit pgimrealestate.com.

ABOUT PGIM

PGIM, the global asset management business of Prudential Financial, Inc. ([NYSE: PRU](#)), ranks among the top 10 largest asset managers in the world³ with more than \$1.5 trillion in assets under management as of June 30, 2021. With offices in 17 countries, PGIM's businesses offer a range of investment solutions for retail and institutional investors around the world across a broad range of asset classes, including public fixed income, private fixed income, fundamental equity, quantitative equity, real estate and alternatives. For more information about PGIM, visit pgim.com.

Prudential Financial, Inc. (PFI) of the United States is not affiliated in any manner with Prudential plc, incorporated in the United Kingdom or with Prudential Assurance Company, a subsidiary of M&G plc, incorporated in the United Kingdom. For more information, please visit news.prudential.com.

¹ As of June 30, 2021, net AUM is \$129.5 billion and AUA is \$43.3 billion.

² Includes legacy lending through PGIM's parent company, PFI.

³ Prudential Financial Inc. (PFI) is the 10th largest investment manager (out of 527 firms surveyed) in terms of global assets under management based on Pensions & Investments' Top Money Managers list published on June 1, 2020. This ranking represents global assets under management by PFI as of March 31, 2020.

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