PGIM Real Estate Finance provides $34.2 million 221(d)(4) loan for Chapel Hill apartment community

CHARLOTTE, N.C., Nov. 6, 2018 – PGIM Real Estate Finance has provided a $34.2 million FHA 221(d)(4) construction to permanent loan for an apartment community development in Chapel Hill, North Carolina. PGIM Real Estate Finance is the commercial mortgage finance business of PGIM Inc., the $1 trillion global investment management business of Prudential Financial, Inc. (NYSE: PRU).

The development project, Link Apartments® Linden, sponsored by Grubb Properties—a repeat FHA and Fannie Mae borrower with PGIM Real Estate Finance—will build 215 market-rate units, designed to NGBS green standards, sharing a parking deck with a to-be-developed 106,000-square-foot, Class A office property. It will join Grubb Properties’ portfolio of Link Apartments® communities in Richmond, Virginia; Winston-Salem and Raleigh, North Carolina; Greenville and Charleston, South Carolina, and additional communities under development in Charlotte and Winston-Salem, North Carolina and Atlanta, Georgia.

Link Apartments® Linden is the first phase of a larger redevelopment of the Glen Lennox community, the outcome of an eight-year public engagement and negotiation between the Town of Chapel Hill and Grubb Properties, which ultimately secured entitlement for more than 3 million square feet of residential, office, retail, and hotel development across approximately 70 acres over a 20-year period. Located at the intersection of NC-54 (Raleigh Road) and US 15-501 (Fordham Boulevard), the property resides at a major Triangle region crossroads connecting the cities of Raleigh, Durham and Chapel Hill. The site is approximately one mile away from the University of North Carolina at Chapel Hill, a top-10 research institution and the oldest public university in the United States.

Lee McNeer, principal in PGIM Real Estate Finance’s Charlotte office, led the structuring of the debt financing and procured joint venture equity for the deal via his relationship with RADCO Ventures. McNeer commented, “As one of the first planned communities in the Southeast, Glen Lennox has been a Chapel Hill fixture since the early ’50s and Grubb Properties has been an excellent steward of the asset since the mid-’80s. It was our honor and pleasure to work with Grubb Properties, HUD and RADCO Ventures on the first phase of what will become an iconic master redevelopment in the years to come.”
“The redevelopment of Glen Lennox will ensure this special community retains its relevance over the next 70 years, and we are grateful for the work PGIM Real Estate Finance provided to make it possible,” said Henry Lomax, Chief Financial Officer for Grubb Properties.

About PGIM Real Estate Finance
PGIM Real Estate Finance, the commercial mortgage business of PGIM, is an international full-service, commercial and multifamily mortgage finance business with $93.4 billion in assets under management and administration as of June 30, 2018. Leveraging a 140-year history of real estate finance, the company offers one of the most comprehensive lines of real estate finance products and originates loans for Fannie Mae DUS®, Freddie Mac and specialized affordable housing programs; FHA; Prudential’s general account; and other institutional investors. For more information, please visit pgimref.com.

About PGIM and Prudential Financial, Inc.
With 15 consecutive years of positive third-party institutional net flows, PGIM, the global asset management businesses of Prudential Financial, Inc. (NYSE: PRU), ranks among the top 10 largest asset managers in the world* with more than $1 trillion in assets under management as of June 30, 2018. PGIM businesses offer a range of investment solutions for retail and institutional investors around the world across a broad range of asset classes, including fundamental equity, quantitative equity, public fixed income, private fixed income, real estate and commercial mortgages. Its businesses have offices in 15 countries across four continents. For more information, please visit pgim.com.

Prudential’s additional businesses offer a variety of products and services, including life insurance, annuities and retirement-related services. For more information about Prudential, please visit news.prudential.com.

*As ranked in Pensions & Investments’ Money Managers list, May 2018; based on Prudential Financial, Inc. total worldwide assets under management as of December 31, 2017.

MEDIA CONTACT: Brendan Duffy
973-802-5711
brendan.duffy@prudential.com