



CAPITALIZE ALBANY  
CORPORATION

For Immediate Release

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## **Capitalize Albany Corporation Approves New Financing For Mixed Use Apartments at 40-48 South Pearl in Downtown**

*National Restaurant Chain Eyeing Residential/Commercial Project Across From The Times Union Center*

ALBANY – On Tuesday Capitalize Albany Corporation board members approved a \$275,000 loan to assist with the \$2.5 million redevelopment of 40-48 South Pearl Street as part of the Corporation’s Real Estate Loan Program. Chris Maddalone and Seth Meltzer of Maddalone & Associates plan to transform the 24,000 sq. ft. property, mostly vacant since 2011, into 16 luxury market-rate apartments combined with street level retail and commercial space. The property is across the street from the Times Union Center and the development team is getting interest from business owners seeing the opportunities, including a nationally recognized restaurant franchise.

“Considering the expansion of the Times Union Center, this is a perfect example of another development team harnessing the momentum being seen in downtown,” said Sarah Reginelli, President of Capitalize Albany Corporation. “We’re always looking to find new vitality for underutilized properties and with mixed use projects like this we can better support a walkable community.”

The Capitalize Albany Real Estate Loan Program was established in June 2010 to provide financing to qualifying real estate development projects to support the revitalization of property and the retention and creation of jobs for City residents. This financing from Capitalize Albany will be subordinate to a committed construction to permanent loan from Kinderhook Bank. The development team is also pursuing City of Albany Industrial Development Agency (IDA) sales and mortgage tax exemptions. An Albany IDA public hearing on the project is scheduled in May. The proposed project qualifies for the City of Albany’s 485-A tax abatement program which will offer tax relief for twelve years.

“When you look at the entire scope of downtown’s upcoming developments a project like this fits right into the mix,” said Chris Maddalone, President of Maddalone & Associates. “It’s exciting to see the project taking another step forward, we’ve worked with the City and Capitalize Albany on past projects and everything is coming together well once again.”

The project is expected to generate 10 full time jobs and 29 part time jobs in the first three years. The property consists of two buildings located along South Pearl Street in downtown Albany featuring four ground floor commercial spaces and a rooftop patio. A 10-car surface parking lot is located behind the building, also included.

The parking spaces will be offered as part of the apartment rental package to prospective tenants. Apartment finishes are of high luxury quality and the design includes open floor plans, energy efficient gourmet kitchens, granite countertops and walk-in closets.



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Over the past three years, the Capitalize Albany Real Estate Loan Program has facilitated six projects, resulting in 124 market rate units representing more than \$24.3 million of investment. All loans made from the Program have supported the strategic Downtown Residential initiative. Through this strategy, Capitalize Albany has helped develop 185 market rate units in downtown with an average \$1.40 /sq. ft. rents and an occupancy rate of 97%. Currently there are 154 market rate units under construction and over 300 market rate units in the pipeline.

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