

M&T Bank Finances First 'My Micro NY' Project



NEW YORK, N.Y.—M&T Bank has closed on a \$10.3 million loan to provide the largest piece of the financing for Monadnock Development LLC to construct My Micro NY, the first of its kind in New York City.

Construction on the city's first fully micro-unit apartment building, creating 55 micro apartments from modules prefabricated by Capsys Corporation at the Brooklyn Navy Yard, has begun. The micro-units, being installed on the site of an old surface parking lot on the northeast corner of East 27th Street and Mt. Carmel Place near Bellevue Park South, are expected to be available in 2015.

"Modular construction is cost efficient and we believe these micro-units will fill a need in the Manhattan market. As one of New York City's more experienced commercial real estate lenders, we've thoroughly reviewed the business case for this project and are very comfortable providing the financial support," said M&T Bank Regional President Peter D'Arcy.

Additional financing for the \$16.6 million project will come through developer equity and a secondary loan through the New York City Department of Housing Preservation and Development. The My Micro NY project will contain an affordable housing component, with 40 percent of the units in the 9-story building being offered at below market rates.

Micro apartments are small by typical apartment standards—between 260 and 350 feet—but they are designed to optimize space and maximize the sense of openness. The project's nearly 10-foot ceilings, 8-foot windows and built-in storage will help to create the effect of a larger unit. The building's ground floor will include 678-square-feet of retail space.

"It's exciting to pioneer this new housing type in association with the City and our partners, including M&T," said Nick Lembo, president of Monadnock Development. "It's an ideal application for modular construction, and we're proud to use this innovative approach to offer another affordable option to New Yorkers looking for housing that fits their lifestyles."

Monadnock Development LLC is currently co-developing Hunter's Point South in Long Island City, Compass Residences in the Bronx, and 1 John St. in Brooklyn Bridge Park. Monadnock was the developer selected by New York City following the highly competitive adAPT NYC RFP process for its My Micro NY proposal.

About M&T Bank

Founded in 1856, M&T Bank Corp. (www.mtb.com) is one of the 20 largest U.S. commercial bank holding companies, with more than 700 branch offices and 1,500 ATMs in New York, Pennsylvania, Maryland, Delaware, Virginia, West Virginia and Washington, D.C.

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