

# THE WALL STREET JOURNAL.

## THE PROPERTY REPORT

May 5, 2010

### Carpenters Invest

Who would be in a better position to help revive the construction-financing market than a carpenters union?

Member organizations of the United Brotherhood of Carpenters and Joiners, which has more than half a million members in North America, have committed \$250 million in capital to an account with **Related Cos.**, headed by New York real-estate mogul Stephen Ross. The separately managed money primarily will be used to originate construction loans to capitalize on the void in capital to finance office towers, shopping malls, hotels and

other commercial property.

The amount of construction and land-development loans outstanding plunged 24% year over year to about \$452 billion at the end of 2009, according to Foresight Analytics, compared with close to \$630 billion at the peak in 2007.

“The phone has been ringing off the hook” with potential funding opportunities, said Justin Metz, managing principal of Related Fund Management LLC. Mr. Metz said the targeted annual percentage return for the carpenters’ union account ranges from the high single digits to the low double digits. A carpenters’ union official declined to comment.

—Lingling Wei

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