

19
89 | **OVER**
TWENTY
FIVE
YEARS



Rumol of Walker & Dunlop closes \$93.925 million loan for 151-unit affordable housing property

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Polyclinic Apartments, 341 West 50th Street - Manhattan, NY

Manhattan, NY Walker & Dunlop, Inc. has structured a \$93.925 million loan with the United States Department for Housing and Urban Development (HUD) for Polyclinic Apartments located at 341 West 50th St. The Section 8 property provides affordable housing units to tenants in the Hells Kitchen neighborhood.

The Walker & Dunlop team, led by Chris Rumul, arranged the financing via HUD's 223(f) program for Standard Communities, the affordable housing division of Standard Property Co. The loan not only provides acquisition financing, but will also allow the borrower to make immediate repairs and fund future renovations. In conjunction with the purchase, the borrower preserved the existing 151 affordable housing units by renewing the property's 20-year Section 8 HAP Contract and obtaining a 35-year Article XI tax abatement approval through the NYC Department of Housing Preservation & Development.

Chris Rumul, Walker & Dunlop

Rumul said, "This HUD transaction was unusual because it involved an acquisition, the negotiation of multiple different tax agreements, and coordination with several state and local government authorities. The team's efficient, diligent underwriting focus and management of the HAP and tax abatement timelines ensured the success of this deal."

Standard Communities' co-founder, Scott Alter, said, "Acquiring and preserving this unique and well-located property as affordable housing when it was at-risk of converting to a market rate property was important to us. We are glad that all parties were able to support the creative structure used to ensure these apartments remain affordable for years to come."

Located between 9th and 8th Aves., Polyclinic Apartments is situated near Central Park. The property is close to mass transit, including the 50th St. Subway station, which is on the same city block. The building in which Polyclinic Apartments is located was originally constructed in 1910, and a large addition was made to the property in 1930. Formerly a local hospital, the building underwent a complete renovation and conversion to multifamily apartments in 1981, when it was first awarded a Section 8 HAP contract. The community has maintained an average occupancy of 99.4% over the past three years and maintains a waiting list exceeding 180 potential tenants, thanks to its affordability and desirable location.

Walker & Dunlop is a leader in the multifamily lending space, ranking within the top five largest multifamily lenders with Fannie Mae, Freddie Mac, and HUD. The Company has also

increased its lending on affordable rental housing in 2017, originating over \$960 million in loans for this asset class in the first half of 2017, up from a total of \$622 million in 2016.

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