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CPC Mortgage closes \$9.6 million FHA loan for two East Harlem multifamilies

May 21, 2019 - Financial Digest



Timm Deegan,
CPC Mortgage

Manhattan, NY CPC Mortgage Co. LLC, a subsidiary of the Community Preservation Corp. (CPC), has closed a \$9.6 million Federal Housing Administration (FHA) loan to refinance two rent stabilized, multifamily properties in the East Harlem community.

“Anybody can do an off the shelf deal. Our customers bring us their most challenging projects, because they know they’re getting an experienced partner that will be with them every step of the way,” said Tim Deegan, VP and head of agency originations at CPC Mortgage. “Being able to help our borrower achieve his financial goals, while also ensuring that these two buildings continue to contribute to the health and vitality of the community’s housing stock is something we’re extremely proud of.”

The two six-story walk-up, mixed-use rent regulated buildings located on East 116th St. were constructed circa 1920 and consist of a total of 52 rental units. CPC’s FHA Section 223(f) product allowed the borrower to refinance both properties at a more favorable rate, and fund standard repair and maintenance work. The property will also enter into an Article XI tax exemption with the city, helping to ensure that the project remains financially stable and well-maintained, with rents staying affordable to the current tenants.

“With FHA Section 223(f) we were able to get our borrower the best terms for his two rent stabilized properties, and equally as important, it was a product that worked with the unique requirements of the city’s Article XI tax abatement,” said Deegan.

CPC Mortgage is licensed by the U.S. Department of Housing and Urban Development (HUD) as an FHA approved Multifamily Accelerated Processing (MAP) lender, providing access to loan programs on an expedited basis and providing capital for refinancing, acquisition, rehabilitation, and new construction of multifamily housing.

While offering products for a broad range of capital needs including flexible bridge loans, with strong ties to the parent company and its nonprofit mission, CPC Mortgage Company LLC has unique institutional expertise in affordable, stabilized housing and small buildings/small balance loans. The company’s partnership with HUD/FHA helps both organizations achieve a shared mission of investing in quality housing to create strong, stable, and vibrant communities.

CPC Mortgage offers a suite of FHA, Freddie Mac, and Fannie Mae products for acquisition, refinance, rehabilitation and construction of multifamily properties. The company is a one-stop-shop, providing borrowers with a team of experts from originations to asset management, who are solely dedicated to the agency lending experience.

In fiscal year 2018, the agency team operated under the CPC umbrella, originating nearly \$500 million over a portfolio of 154 loans in New York, New Jersey, Pennsylvania, and Massachusetts.