2019 Year in Review: Joshua Reiss, Hunt Real Estate Capital

December 31, 2019 - Spotlights

Name: Joshua Reiss

Company: Hunt Real Estate Capital

What was your greatest professional accomplishment in 2019?

I was honored this year to be selected by the NYREJ for a "2019 Ones to Watch" award, which I attribute to my success working with Public Housing Authorities (PHA), both in New York City and across the country, as they seek to recapitalize and rehabilitate their portfolios of public housing. I am extremely focused on assisting these public agencies by providing them with the innovative loan terms and structures to give PHAs the capital they require to improve the housing stock for low- and moderate-income households.

What was your most notable project, deal, or transaction in 2019?

In July 2019 we continued our success in New York City by providing $192.2 million in Freddie Mac financing to facilitate the acquisition and rehabilitation of our second large portfolio with the New York City Housing Authority (NYCHA). This portfolio consisted of 60 buildings located in Bushwick, Brooklyn. Pennrose and the Acacia Network teamed up with NYCHA to convert 1,321 units of existing NYCHA public housing to Section 8 housing through the RAD and Section 18 Disposition programs of the Department of Housing and Urban Development (HUD). The transaction involved the creation of a new risk share program between Freddie Mac and the New York State Finance Agency that reduced borrowing costs and increased proceeds for the rehabilitation.

What are your predictions for commercial real estate in 2020?

In 2020 I believe the NYC multifamily market will continue to be impacted by the aftermath of the reinforced rent stabilization laws. The value of rent-stabilized buildings will continue to be adjusted as more trades occur and lenders (including the GSEs) adjust the terms they are willing to offer on these properties. I anticipate a greater demand on public subsidy from HPD & HDC to maintain the buildings considering there will be limited incentives for capital improvements to the major building systems. Owners will likely be forced to participate in existing (and likely new) affordable housing programs in order to pay for significant capital improvements. New York City tax revenue is likely to fall as a result of lower valuations, which will impact both real estate tax collections and transfer taxes, which are a major source of funds for the MTA.