



K & R Preservation acquires 581-unit affordable housing complex in Brooklyn for \$79 million

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Brooklyn, NY K & R Preservation, a New York City-based affordable housing development firm owned and operated by its principals Francine Kellman and Brian Raddock, completed the acquisition of Spring Creek Gardens Apartments, a multifamily apartment complex located at 902 Drew St., in the Lindenwood neighborhood. The purchase price was \$79 million.

The 581-unit property includes 193 studio units, 98 one-bedroom units, and 290 three-bedroom units, including one superintendent unit.

The property is subject to affordability restrictions on 85% of its units which will limit vacancy risk and supply the community with quality affordable housing. The project currently benefits, and will continue to benefit, from a 420-C tax abatement.

Spring Creek Gardens Apartments financing consisted of a first mortgage credit enhanced by Freddie Mac as well as investment from PNC Equity Group.

Kellman, K & R co-principal, said, “The purchase and preservation of Spring Creek Gardens through the use of a credit enhanced mortgage will help to eliminate the risk of 581 affordable housing units in Brooklyn from conversion to market rate units. As the economy struggles to recover from the COVID-19 pandemic, the preservation of affordable housing in New York City is a paramount goal. And, given the fact that the city’s funding for housing development is likely to be curtailed, this project will preserve affordable housing in the area and thus provide a long-term benefit to the community.”

Spring Creek Gardens Apartments is close to public transportation, parks, and hospitals.

Raddock, K & R Co-principal, said, "Together with our non-profit partner, The NYC Housing Partnership, we intend to continue the 420-C Tax Abatement Program in order to provide not only on-going affordable housing necessary for low income families in the region, but housing with amenities and services that go well beyond the basics."

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