



## **CPC and Ocean Towers Partners refinance 360 units – \$48 million**

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Brooklyn, NY According to CPC Mortgage Co., a subsidiary of The Community Preservation Corp., and Ocean Towers Partners LLC, a joint venture between Proto Property Services, LLC and the Community Development Trust (CDT), closed a \$48 million Freddie Mac Targeted Affordable Housing (TAH) loan to refinance a 360-unit property in the Coney Island neighborhood. Over the last seven years, Proto Property Services and CDT have worked to renovate and upgrade the property. The TAH financing from CPC Mortgage Co. allows the partnership to continue their mission of providing quality, affordable housing for the tenants of Ocean Towers.

Located at 2960 West 24th St., the 19-story building sits on 3.5 acres, and its rental units are comprised of a mix ranging from studio to five-bedroom layouts. The property is presently 98% occupied, and 91% of the units receive Section 8 vouchers.

“Because they often use multiple forms of subsidy, tax abatements, and other financing, it can be challenging to refinance a large affordable project like Ocean Towers” said Danny Wheeler, vice president and mortgage officer at CPC who originated the loan. “As a mission-driven lender, we’ve been focused on financing affordable and workforce housing for nearly 50 years. We’re proud to partner with Proto and CDT to help them continue their work of providing quality affordable housing for their tenants.”

“Ocean Towers is an amazing property that has served as a key resource of affordable housing for the Coney Island community since the 1970s. Ensuring our borrowers had the right financing means that they can ensure their tenants will be able to live in safe, stable, affordable homes,” said John Cannon, president of CPC Mortgage Co. “Freddie Mac’s Targeted Affordable Housing product was made for deals like this, and our close relationship with their team allowed us to get the best possible outcome for our borrowers.”

“Freddie Mac is proud to work with lenders like CPC to provide financing for properties like Ocean Towers which ensure there are safe and affordable housing options in the communities like Coney Island,” said Curtis Melvin, director of multifamily production at Freddie Mac. “We are committed to supporting this important part of the multifamily market through our mission-driven Targeted Affordable Housing programs.”

“CDT is very pleased to continue building on what has been a great partnership with Proto and CPC. The rehabilitation work that was originally completed by Proto at Ocean Towers was critical to

stabilizing the property as long-term, high quality affordable housing. This refinancing will help ensure that Ocean Towers remains well capitalized into the future and also help CDT continue our mission making high-impact, double bottom line investments throughout the country. We enjoy working with lenders like CPC that share our mission of preserving affordable housing,” said Brian Dowling, chief investment officer at CDT.

The property was built in 1974 through the Mitchell-Lama Rental Program, which was created to provide affordable rental housing for low- and moderate-income households in New York. Ocean Towers exited the Mitchell-Lama program in 2006. However, Proto Property Services and CDT purchased the property in 2013, shortly after Hurricane Sandy, in a transaction utilizing subsidy from the NYC Department of Housing Preservation and Development (HPD), funding from the NYC City Council, and \$36 million in permanent financing from CPC. This helped to ensure the long-term affordability of Ocean Towers with a new regulatory agreement from HPD. The partners also completed a \$10 million rehabilitation, which included a number of resiliency upgrades to aid the property in withstanding future severe weather events.

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