



A&E Real Estate buys 1,212 unit portfolio from LeFrak for \$248.7m

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2750 Homecrest Avenue - Brooklyn, NY

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Brooklyn, NY A&E Real Estate today has finalized the acquisition of 14 multifamily buildings in the city's Gravesend and Sheepshead Bay neighborhoods. A&E acquired the portfolio, which encompasses 1,212 apartments, 306 parking spaces and five commercial units, from The LeFrak Organization for \$248.7 million.

A&E's purchase of LeFrak's South Brooklyn portfolio marks the latest in its recent series of major New York City multifamily acquisitions. Over the past 12 months, A&E has acquired 3,284 apartments across 43 buildings in Brooklyn, Manhattan and Queens.

In 2022 alone, A&E has acquired 1080 Amsterdam in Morningside Heights from SL Green; 140 and 160 Riverside Blvd. on the Upper West Side from Equity Residential; Cunningham Heights, a 22-building community portfolio in Queens Village; and 92-40 Queens Blvd. in Rego Park.

All 14 of the South Brooklyn portfolio's buildings were developed by the LeFrak family between 1957 and 1961. Since 2015, LeFrak has invested more than \$18 million in capital improvements throughout the portfolio. The largest buildings in the portfolio include 2750 Homecrest Ave. and 2775 East 12th St., each consisting of 189 apartments; and 2375 East 3rd St., which is comprised of 134 apartments.

The acquisition was financed in part through a \$170 million fixed-rate loan from Signature Bank, which was arranged by Jonathan Estreich and Jason Boxer of Estreich & Co.

"The completion of this deal serves to underscore our confidence in the future of this city," said John Arrillaga, Jr., co-founder of A&E Real Estate. "Jon Estreich and his team did an excellent job securing debt financing in the midst of an incredibly challenging lending environment."

"As long-term believers in the enduring strength of New York City and its residential neighborhoods, we have been undeterred by the economic, regulatory and pandemic-related uncertainties that have periodically sent other multifamily investors to the sidelines," said Douglas Eisenberg, executive

chairman of A&E Real Estate. “Our unwavering conviction has set us up to grow and diversify our portfolio through an array of acquisitions—from luxury buildings on the Upper West Side and Sutton Place to working-class apartment communities in Sheepshead Bay and Rego Park. In doing so, we have positioned A&E as a leading owner and operator across the entire spectrum of multifamily housing throughout New York City.”

Eisenberg said, “The LeFrak family has been one of the most prolific and successful developers of multifamily housing in New York. We are thrilled by this rare opportunity to acquire such a high-quality portfolio in two bedrock Brooklyn communities and are committed to maintaining the high standards the LeFrak’s set for all of these residential buildings. We have long enjoyed a strong relationship with the LeFrak family, and that relationship was instrumental in getting this deal done.”

Founded in 2011 by Douglas Eisenberg, John Arrillaga, Jr., and Wendy Eisenberg, A&E has grown from a single 49-unit building in Fort Greene to more than 20,000 Bronx, Manhattan, Brooklyn and Queens apartments currently under management. A&E has built a fully integrated real estate platform with in-house asset and property management, leasing and construction capabilities. Its extensive multifamily portfolio ranges from 10-unit rentals in Brooklyn to 1,200-apartment communities in Kew Gardens Hills and Harlem’s Riverton Square.

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