



Walker & Dunlop structures \$120 million financing for affordable housing rehab

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ABM Plaza rendering - Harlem, NY

Harlem, NY Walker & Dunlop, Inc. structured \$120 million in financing for the rehabilitation of Audubon Houses, Bethune Gardens, and Thurgood Marshall Plaza (ABM), a 557-unit, three-building portfolio. The properties built between 1962 and 1985 are in need of significant upgrades. The financing was a joint effort between Dantes Partners, The New York City Housing Authority (NYCHA), the New York Housing Development Corp. (HDC), Walker & Dunlop, Freddie Mac and JP Morgan Chase.

John Gilmore and his production team at Walker & Dunlop arranged the financing execution that addressed the unique capital and ongoing operation and maintenance needs of the three properties. The team strategized solutions that fit the needs of its client, Dantes Partners and NYCHA. Walker & Dunlop listened to the various stakeholders' concerns and, in conjunction with its lending partner, Freddie Mac, arranged the deal, which allowed the development team to achieve its objective to provide much-needed upgrades for low-income residents at ABM.

"This critical project required a wide range of affordable finance expertise and extensive collaboration. We are pleased this renovation will be underway to benefit so many New York City residents who have waited a long time to see their property transformed," said Sheri Thompson, Walker & Dunlop's executive vice president of Affordable Housing and Investment Management.

“This would not have been possible without our commitment to affordable and workforce housing, coupled with our long-term relationships with Dantes Partners and Freddie Mac.”

In order to transform the properties, Dantes Partners obtained a 99-year ground lease from NYCHA through their Permanent Affordability Commitment Together (PACT) program, which leverages HUD’s Rental Assistance Demonstration (RAD) program. Additionally, 555 of the 557 total units are supported by project based rental assistance from HUD’s RAD and Section 18 programs and long-term project-based HAP contracts.

“Freddie Mac is committed to supporting transformative projects such as this one that brings revitalization to affordable housing communities,” said Curtis Melvin, senior director, Target Affordable Production for Freddie Mac Multifamily.

“We are pleased to be part of the joint effort of Walker & Dunlop, NYCHA, Dantes Partners and Chase to deliver quality affordable housing options to so many New York City families.”

NYCHA and Dantes Partners are pleased that this financing will enable them to invest over \$200,000 per unit to revitalize and renovate each of the apartment complexes. The renovations will include new kitchens, bathrooms, windows, appliances, and flooring as well as upgrades to the buildings elevators and heating and cooling systems. This physical work at the community will go a long way towards enhancing the buildings and its surrounding area and position them as excellent affordable housing assets for New York City for years to come.

“Capital is one leg of the stool to make complex transactions such as ABM a reality,” said Corey Powell, chief operating officer at Dantes. “Walker & Dunlop and Freddie Mac worked through those to ensure that a 100% Black-owned team was able to secure the necessary resources to help us deliver on our promises to the residents of ABM.”

Dantes Partners and Walker & Dunlop are members of CREUnited, an alliance launched in 2021 designed to increase minority participation in the commercial real estate industry. Walker & Dunlop has a five-year goal of \$60 billion in cumulative affordable housing finance by the end of 2025. Well on their way to reaching this goal, the affordable team originated over \$10 billion of affordable and workforce housing financing in 2021 through HUD, Fannie Mae, Freddie Mac, and capital markets sources. To learn more about the team’s capabilities and financing options, visit their website.

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