



## **The Community Preservation Corp. and Proto Property Services close \$100 million refinance of 525 unit Riverdale Osborne Towers**

February 28, 2023 - Front Section



Brooklyn, NY The Community Preservation Corp. (CPC), one of the nation's largest community development financial institutions (CDFI) dedicated solely to multifamily housing—together with partner Proto Property Services—closed the \$100 million refinance of Riverdale Osborne Towers, a 525-unit affordable housing complex in the Brownsville neighborhood.

The complex consists of four, nine-story residential buildings with 525 affordable homes for low-income families, a preschool, and 10,500 s/f of retail space, including the only full-service grocery store in the area. CPC and Proto Property Services first acquired the property in 2007 and immediately embarked on a \$39 million scope of work. Proto Property Services undertook the extensive and successful tenant-in-place rehabilitation to modernize individual units, major building systems, the exterior and grounds of the property, and enhanced security.

Under a HUD 223(f) loan provided by Rockport Mortgage Corp., this new refinance will ensure that the property remains financially stable, preserving the long-term affordability of all 525 homes, and funding renovations to modernize the tenants' kitchens and bathrooms. Proto Property Services will continue to serve as the property manager for the complex.

The ownership team is made up of mission-driven nonprofit and for-profit companies with decades of experience in affordable housing finance, construction, maintenance, and management. The group of preservation-focused organizations is dedicated to providing stable, responsible ownership to preserve the long-term affordability and quality of the housing for residents that call these

developments home. Ownership that is dedicated to affordable housing preservation can help guard against gentrification, reduce displacement, and contribute to the stability and revitalization of communities.

“The need for quality affordable homes in New York is critical, and helping to preserve and improve our city’s existing affordable housing is as important as creating new housing,” said Tell Metzger, senior vice president, Equity Investments at CPC. “We are proud to work with Proto and our other partners on this refinance so that we can continue to provide the Riverdale Osborne tenants with the affordable, high-quality housing they can be proud to call home.”

“We take our job of providing high quality affordable housing very seriously,” said Demetrios Moragianis of Proto Property Services, LLC.

For more than a decade before the partnership acquired Riverdale Osborne Towers, the property was plagued by crime and poor management, while tenants endured awful living conditions, which included rodents, gaping ceiling holes, dangerous gas leaks, waves of crime, rotting walls, and trash pile-ups. One of the worst issues was non-working elevators, which especially impacted individuals in wheelchairs and parents with heavy strollers, forcing them to take a working elevator in another building and walk to their own building across the roof and down several flights of stairs. CPC and Proto Property Services were selected by Catholic Charities to redevelop, renovate, and preserve the property as a safe, quality, and affordable place to live. Proto took immediate steps to root out criminal activity and to remove people illegally occupying apartments. The company also made sweeping changes to upgrade the property’s staff, as well as taking action to increase security for all four buildings. One of the new security measures included the construction of a new central lobby with an on-site management office, which increased safety and fostered a sense of community by providing a place where all of the residents from each building could meet and see each other.

Today, 16 years later, Riverdale Osborne Towers continues to serve the Brownsville community’s affordable housing needs, with the refi and recapitalization providing the resources to ensure its long-term financial and physical well-being for decades to come.

“Riverdale Osborne Towers is an important housing asset to the Brownsville neighborhood of Brooklyn, said Dan Lyons, president of Rockport Mortgage. “We are proud to have worked with Community Preservation Corp. and Proto Property Services to not only extend the property’s affordability for at least the next 28 years, but to also improve the overall quality of life for the residents who call Riverdale Osborne Towers home.”