



**Department of
Housing Preservation
& Development**

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**HPD COMMISSIONER BEEN JOINS YUCO REAL ESTATE AND ITS PARTNERS
TO BREAK GROUND ON THE BROOK AVENUE APARTMENTS IN THE BRONX**

*HPD Partners With Local Minority-Owned Firm To Bring New Two-Building Development With 66 New
Affordable Apartments To Mott Haven*

Development Will Use Air Rights From Neighboring Buildings to Maximize Density and Affordable Units



Bronx, N.Y. - New York City Department of Housing Preservation and Development (HPD) Commissioner Vicki Been joined its largest Asian-American-owned affordable housing development partner developer Yuco Real Estate Company, Inc. and its financing partners to celebrate the start of construction on the Brook Avenue Apartments, a two-building, 66-unit development that will be constructed on vacant formerly city-owned land in the Mott Haven neighborhood of the Bronx. The development will benefit from the use of underused air rights of neighboring one-story Con Edison facilities.

The construction of the Brook Avenue Apartments development will be financed under Mayor Bill de Blasio's *Housing New York: A Five-Borough, 10-Year Housing Plan*, to finance the creation and preservation of 200,000 units of affordable housing. The most comprehensive affordable housing plan in the city's history, its goal is to help address the crisis of affordability in our city by reaching more than half a million New Yorkers ranging from those with very low incomes at the bottom of the economic ladder to those in the middle class who are facing ever-rising rents in their neighborhoods.

"The de Blasio administration is committed to creating and preserving housing that is affordable to New Yorkers with a wide range of incomes, including a substantial number of apartments for the very low-income households, who often have the hardest time finding good quality affordable housing," **HPD**

Commissioner Vicki Been said. "Likewise, we want our pool of developers to be as diverse as the tenants we serve. We are proud to partner with Yuco, an experienced, local minority-owned developer, to produce these 66 homes that will be affordable to low-, and very low-income New Yorkers. We are focusing on transforming, rebuilding and strengthening neighborhoods -- for this development, we transferred the air rights from the adjacent Con Ed buildings in order to gain additional density, which translates directly into more affordable homes and a more vibrant neighborhood. We thank Yuco Real Estate, the Community Preservation Corporation, the Bank of New York and First Sterling Financial for their absolutely critical investment in this project."

"The Brook Avenue Apartments will bring much-needed affordable housing to Mott Haven while respecting the character and history of the existing neighborhood", said **City Council Speaker Melissa Mark-Viverito**. "I applaud the de Blasio Administration and the Department of Housing Preservation and Development for partnering with local developers to create affordable housing in communities across New York City."

Brook Avenue Apartments will include a five-story building located at 463 East 147th Street in the Bronx. The building will have seven studio apartments, 35 one-bedroom apartments, 11 two-bedroom apartments and one three-bedroom apartment for a total of 55 units of affordable housing, inclusive of one two-bedroom superintendent unit. Fourteen of the total units in this building will be affordable to households earning up to 40 percent of the Area Median Income (AMI), or an annual income of no more than \$23,500 for an individual or \$33,550 for a family of four. The remaining 40 units will be affordable to households earning up to 60 percent AMI, or an annual income of no more than \$35,280 for an individual or \$50,340 for a family of four. This building will also feature 11,800 square-feet reserved for on-site parking. It is estimated that the space reserved for parking will yield 26 parking spaces.

The second building in the Brook Avenue Apartments development will be a seven-story, 11-unit building located at 469 East 147th Street. There will be 10 two-bedroom apartments and one one-bedroom apartment in this building. All units in this building will be affordable to households earning 60 percent AMI, or an annual income of no more than \$35,280 for an individual or \$50,340 for a family of four. This building will also feature approximately 1,700 square-feet of commercial space.

On Brook Avenue and on East 147th Street, on either side of the Brook Avenue Apartments site there are two one-story Con Edison facilities. These facilities serve as cooling stations for the underground high tension electrical wires. The Brook Avenue Apartments project acquired and will use previously underused air rights from these adjoining properties through an agreement with Con Edison. This use of air rights at Brook Avenue is an example of how the city intends to think creatively about using underused resources to maximizing density within the context of the neighborhood in an effort to increase affordable housing opportunities for hardworking New York families.

An Asian-American owned firm founded in 1969, Yuco is part of an active, vertically integrated real estate organization. Yuco principal Raymond Yu represents the third generation of a real estate family that began with his grandfather in Hong Kong more than ninety years ago. Raymond's father immigrated to the United States in the 1950s, bringing along his family's entrepreneurial spirit in real estate development. The company has worked on projects in and contributed to the revitalization of the Lower East Side, Clinton and Harlem in Manhattan and Sunset Park, Flatbush and East New York in Brooklyn. The emphasis on working with M/WBE companies not only reflects the values incorporated in Mayor Bill de Blasio's *Housing New York* plan, it also helps to create local employment opportunities across the five boroughs.

The total development cost for the Brook Avenue Apartments is \$24.4 million. HPD will be providing 9% Low-Income Housing Tax Credits for \$16.6 million in permanent tax credit equity financing. First Sterling Financial will act as the tax credit syndicator. HPD will also facilitate \$2.7 million through the 421a fund and \$1.2 million in Reso A funds. The Bank of New York Mellon will act as the lender. Additionally, The Community Preservation Corporation. (CPC) has committed to a \$3 million permanent loan through the New York City Employees Retirement System (NYCERS).

“As part of a larger scale revitalization effort in Mott Haven and to meet the City’s critical need for affordable housing, public and private partners have come together to not only add new apartments to the area, but also to use tools such as air rights to create as many affordable homes as possible,” said **Richard Conley, Senior Vice President & Originations Director, The Community Preservation Corporation.** “CPC is committed to strengthening and investing in communities through housing, and we’re proud to join our partners HPD, Yuco Real Estate, First Sterling Financial, Con Edison, The Bank of New York, and NYCERS and commit to a \$3 permanent million loan to create 66 new homes for Mott Haven residents.”

The City of New York requires that all city-subsidized apartments be rented through an Open Lottery System to ensure fair and equitable distribution of housing to eligible applicants. Marketing of the apartments and the application process for the lottery typically begin when construction is approximately 70 percent complete. For more information regarding the lottery process or if you would like to receive an e-mail when HPD updates its available apartment and home website listings for City-subsidized housing in the five boroughs, please visit the Apartment Seekers and Homebuyers pages at www.nyc.gov. Current housing lotteries are also available at www.nyc.gov/housingconnect. Applicants may submit either a paper application or an electronic application. Duplicate applications will be disqualified.

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The New York City Department of Housing Preservation and Development (HPD):

HPD is the nation’s largest municipal housing preservation and development agency. Its mission is to promote quality housing and viable neighborhoods for New Yorkers through education, outreach, loan and development programs, and enforcement of housing quality standards. HPD is tasked with fulfilling Mayor de Blasio’s Housing New York: A Five-Borough Ten-Year Plan to build and preserve 200,000 affordable units for New Yorkers at the very lowest incomes to those in the middle class. For more information visit www.nyc.gov/hpd and for regular updates on HPD news and services, connect with us via www.facebook.com/nychpd and www.twitter.com/nychousing.

Yuco Real Estate Company, Inc. (Yuco):

Yuco Real Estate Company, Inc. and Yuco Management, Inc. are part of a real estate development and management organization that has been active in New York City since 1969.

Yuco Real Estate Company and its principals have successfully completed numerous commercial and residential projects throughout New York City. They carry out all aspects of the development process from acquisition, financing, municipal approvals, design and construction to marketing, leasing and sales while maintaining strict quality control over the entire design and construction process. Yuco has completed the new construction or substantial rehabilitation of more than sixty buildings. The design and construction work on Yuco’s buildings are performed by our affiliated architectural/engineering firm and general contracting company. Yuco has a more than 25 year history of working with HPD to construct quality affordable housing for New Yorkers and is widely regarded as the leading Asian-American developer of affordable housing in New York City.

Yuco’s projects range from repositioning and entirely renovating a 112,000 square foot NoHo/SoHo office building with retail space, to constructing a 95-unit development of spacious, affordable housing in West Harlem, to converting two prime, elevator properties in Brooklyn Heights, directly off the promenade, into luxury rental apartments. Learn more at: www.yucoinc.com/

About The Community Preservation Corporation, Inc. (CPC):

The Community Preservation Corporation, Inc. (CPC) is a non-profit lender providing reliable capital to underserved neighborhoods throughout New York State since 1974. A nationally recognized leader in affordable housing finance, CPC is committed to delivering financing and technical expertise, and to working with community partners to create and preserve affordable housing. To date, CPC has invested more than \$8.4 billion in over 157,000 units of housing. For more information, please visit www.communitypc.com.