

**NEW YORK CITY HOUSING DEVELOPMENT CORPORATION****HUDSON VALLEY PROPERTY GROUP, PHOENIX REALTY GROUP, AND THE NEW YORK CITY HOUSING DEVELOPMENT CORPORATION PARTNER TO PRESERVE KEITH PLAZA AND KELLY TOWERS IN THE BRONX, NY****HUDSON VALLEY PROPERTY GROUP, PHOENIX REALTY GROUP, AND THE NEW YORK CITY HOUSING DEVELOPMENT CORPORATION PARTNER TO PRESERVE KEITH PLAZA AND KELLY TOWERS IN THE BRONX, NY**

[February 17, 2016 New York, NY] - Hudson Valley Property Group and Phoenix Realty Group (PRG) have partnered to acquire, renovate, and preserve 612 units of formerly at-risk Mitchell-Lama workforce housing apartments in the Bronx, New York. The properties acquired are the 311-unit, 30-story, Keith Plaza, located at 2475 Southern Boulevard, and the 301-unit, 17-story Kelly Towers, located at 2375 and 2405 Southern Boulevard. The renovation will exceed \$14 million and includes significant energy efficiency enhancements, specifically better heating systems, replacing all lighting, critical repairs to the buildings, with upgrades to the lobbies, common areas, and apartments.

'This important project will ensure that working class families and retired seniors who reside here have a quality, affordable place to call home for years to come. We plan to follow the City's lead and continue to work to preserve affordable housing throughout the five boroughs.' Jason Bordainick, Managing Partner, Hudson Valley Property Group.

Keith Plaza is one of the first four preservation projects in the nation utilizing the Rental Assistance Demonstration (RAD) program, which included the issuance of a new 20-year, Section 8 Project-Based Rental Assistance (PBRA) contract. The recent congressional approval of the use of these contracts is key to preserving more than 30 percent of the 1.34 million units in the program that are otherwise set to expire by 2017.

'At Keith Plaza, HUD's Rental Assistance Demonstration program is proving its value as a flexible tool for renovating aging housing without sacrificing long-term affordability,' said Holly Leicht, HUD Regional Administrator for New York and New Jersey. 'The top-to-bottom improvements that RAD makes possible will make these homes sustainable, safe and affordable for the next generation of New Yorkers.'

Financing was provided by the City of New York, including the New York City Housing Development Corporation and the New York City Department of Housing Preservation and Development, in addition to an equity investment provided by Belveron Partners, Hudson Valley and PRG.

'Keith Plaza and Kelly Towers together have provided quality affordable housing to generations of low, moderate, and middle income New Yorkers in the Belmont community of The Bronx. Preserving such valuable resources is one of the most critical components of Mayor Bill de Blasio's visionary housing plan,' said HDC President Gary Rodney. 'I commend Hudson Valley, Phoenix Realty, Belveron, and Dane for their collaboration with HDC, HPD, HUD, and the community to both preserve and build upon the Keith & Kelly legacy.'

'Preserving the remaining stock of Mitchell-Lama housing is a critical component of the Mayor's Housing New York plan,' said HPD Commissioner Vicki Been. 'Through this financing, we will extend the affordability of Keith Plaza and Kelly Towers for another 35 years, while financing critical renovations that will promote the buildings' long-term sustainability and improve the quality of life of more than 600 households. We thank our partners at HDC, Hudson Valley Property Group, and Phoenix Realty Group for helping secure a stronger, more affordable future for these families and our City.'

'I have spent my career putting together long term private preservation capital for projects just like these. Our industry needs alternatives to tax credit equity and our funds were delighted to step up,' said Paul Odland, Managing Partner, Belveron Partners.

The purchase was brokered by Heidi Burkhart, President of Dane, a New York City based affordable housing brokerage and consulting firm. 'These two properties are wonderful affordable assets in a great area of the Bronx. I am excited to see new homes come from the rehabilitation Phoenix and Hudson Valley will complete thanks to the support of our government agencies.'

'Preservation of existing properties is a critical component to meeting New York City's need for affordable housing, and we really appreciate the Housing Development Corp's substantial efforts and creativity in making this project work,' said Ron Orgel, Managing Director, PRG. 'We are excited to bring PRG's expertise in both market-rate and subsidized properties to the team and to continue our longstanding commitment to low- and middle-income housing.'

Both properties are located in the Belmont neighborhood of the Bronx and are centrally located among the district's distinguished schools including Fordham University, medical facilities such as world recognized St. Barnabas Hospital, and recreational facilities including the Bronx Park, the Bronx Zoo, and New York Botanical Gardens.

#### About Hudson Valley Property Group

Hudson Valley Property Group ([www.hvpg.com](http://www.hvpg.com)) is a New York based owner and developer of affordable housing with multifamily holdings throughout the East Coast. The firm's mission is to provide quality well managed affordable workforce housing to the communities it serves through investment in and rehabilitation of affordable housing. HVPG has specific focus and expertise in affordable housing solutions including government subsidy programs and innovative financing structures to preserve blighted buildings at risk of losing affordability.

#### About Phoenix Realty Group

Phoenix Realty Group ([www.phoenixrg.com](http://www.phoenixrg.com)) is a national real estate owner and operator providing capital and expertise for the development and operation of rental and for-sale residential properties, low-income tax-credit housing, and mixed-use and commercial projects in urban areas across the United States. PRG currently manages \$1.5 billion in assets and 11,000 apartment units across the nation. PRG principals have invested in more than 1,000 multifamily properties representing approximately 130,000 apartment units and \$12 billion in real estate over 30+ years.

#### About the New York City Housing Development Corporation (HDC)

HDC is the nation's largest municipal Housing Finance Agency and is charged with helping to finance the creation or preservation of affordable housing under Mayor Bill de Blasio's Housing New York plan. Since 2003, HDC has financed more than 120,000 housing units using over \$13.7 billion in bonds, and provided in excess of \$1.6 billion in subsidy from corporate reserves. HDC ranks among the nation's top issuers of mortgage revenue bonds for affordable multi-family housing on Thomson Reuter's annual list of multi-family bond issuers. In each of the last four consecutive years, HDC's annual bond issuance has surpassed \$1 billion. For additional information, visit: [www.nychdc.com](http://www.nychdc.com).

#### About Belveron Partners

Belveron Partners ([www.belveron.com](http://www.belveron.com)) is a privately held investment firm with a focus on preserving affordable and workforce housing across the United States. Our double-bottom-lined investment process has yielded positive results for both our investors and the communities we serve.

#### About Dane Professional Consulting Group

Formed in 2008, Dane ([www.danepcg.com](http://www.danepcg.com)) specializes in affordable housing brokerage and consulting. Sourcing properties, identifying potential opportunities and facilitating closings with owners and active purchasers to rehabilitate and create new homes in the affordable housing sector. Ms. Heidi R. Burkhart, Founder and President of Dane, is a 13-year veteran of the real estate industry and has facilitated the closing in excess of 11,000 affordable housing units and over \$1.5 billion in transactions.