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L+M DEVELOPMENT AND NELSON MANAGEMENT ACQUIRE 257-271 SOUTH STREET IN MANHATTAN'S LOWER EAST SIDE

NEW YORK, NY — L+M Development Partners and Nelson Management Group, Ltd today announced the acquisition of 257-271 South Street, a 19-story residential property consisting of 260,000 square feet located in Manhattan's Lower East Side. L+M partnered with Nelson Management's Global One Investments on the acquisition while Citi Community Capital provided debt financing.

L+M acquired 257-271 South Street through the NYAH Preservation Fund, a joint real estate private equity platform with Citi Community Capital, which invests in multifamily housing in the New York City metro area, and in conjunction with Nelson Management Group's Global One Real Estate Fund, which invests in existing value-add and core plus multifamily properties in New York City.

"L+M has a substantial commitment to the Lower East Side and we look forward to continuing our efforts to create and sustain quality, mixed-income housing for this special community," said **Eben Ellertson, Director of Acquisitions at L+M**. "Our partnership with Citi has allowed us to strategically invest in the rehabilitation and preservation of thousands of affordable and middle-income units in the New York City area. We are pleased to collaborate with Nelson Management on this project, which will create reliable, sustainable homes and provide first-class property management to current and future generations of residents."

The purchase of 257-271 South Street continues L+M's track record of investment to help develop vibrant mixed-income communities in the New York City metro area. L+M and Nelson Management plan to make significant capital improvements to the property to reposition the building through common area upgrades, enhanced amenities and apartment renovations, while preserving it as a source of high-quality mixed-income housing in the Lower East Side.

L+M has been involved in the Lower East Side neighborhood for more than three decades, most notably through the ongoing development of Essex Crossing. 257-271 South Street adds to L+M's other acquisitions in the area, including an adjacent property at 265-275 Cherry Street, a 490-unit apartment building, purchased in 2013 with CIM Group.

257-271 South Street is L+M's third joint venture with Nelson Management and Global One Investments.

"The Lower East Side has experienced tremendous growth over the last decade and has transformed into one of the Manhattan's most sought after neighborhoods," said **Robert Nelson, President of Nelson Management Group**. "257-271 South Street represents an opportunity for

Nelson Management and L+M to help expand the diversity of housing options available in the area and preserve an institutionally-maintained asset.”

“At Citi, we are proud to partner with leading affordable housing developers like L+M and Nelson Management to bring dynamic housing options to exciting urban settings like the Lower East Side,” said Richard Gerwitz, co-head of Citi Community Capital. “257-271 South Street is project that fits squarely in the Mayor’s Housing Plan and our investment strategy of helping preserve a range of affordable housing options in communities throughout New York City.

The property features 24-hour security, balconies with views of the East River, an outdoor plaza, laundry facilities and a gym. It is within easy walking distance to subway and bus transportation, the Manhattan and Brooklyn Bridges and the FDR Drive. The surrounding area includes open, green space and is near popular attractions, such as the East River Esplanade, the South Street Seaport, Chinatown and numerous art galleries, cultural and entertainment venues in the Lower East Side.

The Lower East Side has attracted significant investment in recent years. Located within a ten-minute walk of 257-271 South Street is Essex Crossing, a 1,870,000 square foot mixed-use project that includes residential, office, retail and community space L+M it is co-developing Essex Crossing with Taconic Investment Partners and BFC Partners.

Ariel Property Advisors served as the exclusive investment sales advisor on the transaction.

About L+M Development Partners and the NYAH Preservation Fund

Since 1984, L+M Development Partners has been an innovator in developing quality affordable, mixed-income and market rate housing, while improving the neighborhoods in which it works. A full-service firm, L+M Development Partners maintains in-house development, investment, construction and management expertise. L+M Development Partners is responsible for more than \$2.5 billion in development, construction and investment and has created and or preserved more than 15,000 high-quality residential units. L+M Development Partners invested in 257-271 South Street through the NYAH Preservation Fund, a real estate private equity platform formed between L+M Development Partners and Citi Community Capital to invest in multifamily housing in the New York City metro area. For more information, please visit www.lmdevpartners.com.

About Nelson Management Group

Nelson Management, through its acquisition affiliate Global One Investments, a private equity fund specializing in locating investment opportunities in market rate, middle-income, workforce and affordable properties, improves the buildings in its portfolio by upgrading apartments, common areas, security and property operations in an effort to enhance the quality of life for the residents. One of Nelson Management’s core missions is to practice environmentally conscientious ownership, by increasing energy-efficiency, decreasing the carbon footprint of properties and forging a more sustainable future for all New Yorkers. For more information, please visit www.nelsonmanagementgroup.net.

About Citi Community Capital

Citi Community Capital (CCC) is a premier financial partner with nationally recognized expertise in financing all types of affordable housing and community reinvestment projects. CCC's origination, structuring, asset and risk management staff across the country provides creative financing solutions designed to meet their clients' needs. CCC helps community development financial institutions, real estate developers, national intermediaries and nonprofit organizations achieve their goals through a broad, integrated platform of debt and equity offerings.

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