



Jonathan Rose Companies

NEWS RELEASE

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## **JONATHAN ROSE COMPANIES ACQUIRING FOREST CITY'S AFFORDABLE HOUSING BUSINESS**

***Sale Includes 48 Communities Totaling Nearly 8,500 Units in Seven States and Transfer of Property Management Group and Designated FHA Mortgage Lender***

**(New York – March 1, 2017)** - Jonathan Rose Companies is purchasing Forest City Realty Trust's Affordable Housing Business, including 48 affordable housing communities in seven states, totaling nearly 8,500 units, Forest City Capital, an MAP designated FHA Lender and Forest City's affordable housing property management group. The deal is valued at over \$500 million. The acquisition will bring Jonathan Rose Companies' total unit count over 15,000 nationwide and expand its operations to 15 states and the District of Columbia.

The properties, management company and mortgage company will be rebranded with the Rose Communities name. The management company will be renamed Rose Community Management, building on Forest City's reputation for quality management, adding Rose's focus on green buildings and communities of opportunity. The properties acquired range from the company's traditional areas of focus from California to Connecticut, while adding new states to the portfolio including Ohio and Michigan.

The finance company will become Rose Community Capital, with the goal of expanding Forest City Capital's 47-year history of providing FHA loans to clients' affordable and mixed income residential projects in the Midwest and the Northeast. Rose plans on expanding its geographic footprint and volume.

The transactions are scheduled to close throughout the first and second quarter of 2017. The management company and Forest City Capital are scheduled to be transferred on March 1, 2017. The acquisitions have been approved by Forest City's board and the closings, which require HUD approvals, will continue through the spring of 2017.

To this major expansion, Jonathan Rose Companies is adding a Cleveland office to its national footprint, where it is retaining Forest City's property management team consisting of 45 people, as well as their entire field staff for the portfolio of over 200 people.

“Jonathan Rose Companies was selected to purchase this portfolio because of its long reputation of preserving, renovating and re-positioning affordable housing, and Forest City Realty Trust’s ongoing relationship with the firm’s principals,” said Michael Daly, Chief Operating Officer of Jonathan Rose Companies, who played a key role in the deal and previously was a Forest City executive.

### **Improvements to Focus on Greening and Increased Social Programming**

A majority of the buildings were constructed in the late 70’s and early 80’s as part of the Forest City Dillon Program, and consist of pre-fabricated concrete mid-rise structures that are in excellent condition.

Jonathan Rose Companies’ goal is to take each of the properties through the Enterprise Green Community Program, which includes capital improvements aimed at achieving measurable reductions of energy and water use and climate impact. Jonathan Rose Companies will also increase social programming at each asset to improve the lives of its residents.

“Jonathan Rose Companies has long been a leader in the greening of affordable housing. We are now pleased to add to this the goal of systemically advancing the social, health and educational outcomes of our residents,” said Jonathan F.P. Rose, president and CEO of Jonathan Rose Companies.

This transaction furthers Jonathan Rose Companies’ commitment to investing, preserving and greening affordable housing for its investment platform nationally. The addition of the management company and finance company expands our ability to meet our goals and mission.

#### **About Jonathan Rose Companies LLC:**

*Jonathan Rose Companies, Inc. is a seasoned real estate investment, development and project management firm whose mission is to repair the fabric of communities. The firm is nationally recognized for its ability to achieve visionary goals through practical, duplicable strategies. The firm acquires, develops, and acts as a consultant to assist not for profits with transit-oriented, green, mixed-income residential, innovative office, civic, education and health serving projects. Jonathan Rose Companies has developed or acquired more than \$2.3 billion of real estate projects from offices in New York, Connecticut, Colorado, the Pacific Northwest and New Mexico. For more information, visit [www.rosecompanies.com](http://www.rosecompanies.com).*