



For Immediate Release

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GOVERNOR'S OFFICE OF STORM RECOVERY ANNOUNCES \$9.9 MILLION FOR 61 NEW YORK CITY PROPERTIES AT FIRST-EVER STATEN ISLAND AUCTION

Acquisition for Re-Development Program and subsequent auction of storm-damaged properties demonstrates Governor Cuomo's investment and commitment to economic resiliency, as New York State continues to build back better from Superstorm Sandy, Hurricane Irene and Tropical Storm Lee.

New York, NY (May 10, 2016) – The Governor's Office of Storm Recovery (GOSR) today announced the sale of 61 New York City properties, which were auctioned as part of the NY Rising Acquisition for Re-Development Program. The event, which was the first of its kind within the five boroughs, was held this morning at the Hilton Garden Inn on Staten Island and attracted more than 350 individuals. It comes one day before the third Long Island-based auction, which will make another additional 51 properties available for resilient redevelopment in Nassau and Suffolk Counties. In both cases, properties are expected to close on or about 45 days from the events. Paramount Realty USA– the New York-based real estate company hired by the State to direct and oversee the proceedings– represents owners in the marketing and sale of real estate, specializing in auctions.

“Building on the success of the NY Rising Acquisition Program, today's auction in Staten Island is a significant step forward in the State's recovery and growth, expanding this avenue for resilient redevelopment to New York City,” said Executive Director of GOSR, Lisa Bova-Hiatt. “Paired with our Long Island auction, the completion of our first-ever New York City event marks another critical milestone in the State's steadfast efforts to build back better and stronger than before.”

The 61 properties are primarily single-family homes, as well as two-family homes and land parcels. The properties had pre-storm values ranging from approximately \$136,000 to \$565,000, with 56 of the homes on Staten Island, two in Queens and one in Brooklyn. Additionally, two Upstate properties in Port Jervis and Stony Point were sold. While all properties were purchased by the State for \$18.1 million, they were collectively resold for \$9.9 million.

The New York City neighborhoods represented in the auction include: Sheepshead Bay, Brooklyn; Howard Beach, Queens; Midland Beach, Staten Island; New Dorp Beach, Staten Island; Great Kills, Staten Island; Dongan Hills, Staten Island; South Beach, Staten Island; and Eltingville, Staten Island.

Bidders consisted of major area and regional builders and developers, as well as local contractors and families seeking to build new homes for themselves. Each bidder had the opportunity to inspect most of the properties and access numerous due diligence documents– including appraisals, title reports, surveys, property photographs, and more.

“We are excited to announce the sale of these properties and to continue our work with the Governor's Office of Storm Recovery,” said Misha Haghani, Principal of Paramount Realty USA. “Our sales today of 61 properties brings our cumulative sales to approximately 357 properties throughout New York on behalf of GOSR to date—

and we are very happy to play a role in a process that is helping repair the damage caused by Superstorm Sandy and other natural disasters.”

The goal of the Acquisition for Re-Development Program, which operates alongside the NY Rising Buyout Program, is to make storm-impacted neighborhoods stronger and more resilient than ever before. As such, the Acquisition Program aims to spur the new construction of homes in a more robust and energy-efficient manner—thereby serving to replace storm-damaged properties that have remained vacant.

Conversely, properties in the Buyout Program are sold and held by the State in perpetuity— being returned to nature, and forever serving as a protective barrier for homes in surrounding communities. To date, 442 Staten Island properties in Oakwood Beach, Ocean Breeze and Graham Beach, totaling \$17.9 million, have been purchased through the NY Rising Buyout Program.

Proving to be the first of their kind, both programs make the State a leader in these innovative disposition plans—which will enable New York to reinvest in storm-damaged communities more quickly and prevent properties from falling into further disrepair.

The acquisition and auction efforts, which correspond with Governor Andrew M. Cuomo’s broader vision for recovery, pave the way for continued growth and economic resiliency, while maintaining the tax base, preserving housing stock and upholding property values.

All redevelopment of the properties must be consistent with local use and zoning regulations and must be completed— as evidenced by a duly issued final Certificate of Occupancy from the local building department— three years of the date of the closing. In the case that these conditions are not met, the property will revert back to the Housing Trust Fund Corporation (HTFC).

Income generated from the auctions will be used in accordance with the State’s Community Development Block Grant-Disaster Recovery (CDBG-DR) Action Plan, which includes allocations for multi-family affordable housing and Public Housing Assistance Relief. GOSR will oversee building milestones to ensure progress.

Established in June 2013, GOSR coordinates Statewide recovery efforts for Superstorm Sandy, Hurricane Irene, and Tropical Storm Lee. Through its NY Rising Housing Recovery, Small Business, Community Reconstruction and Infrastructure programs, it invests \$4.4 billion made available through the U.S. Department of Housing & Urban Development’s (HUD) CDBG-DR Program to better prepare New York for future extreme weather events. More information about the GOSR and its programs is available online at <http://stormrecovery.ny.gov/>.

About Paramount Realty USA

Based in New York, Paramount Realty USA (PRUSA) is a real estate firm that exclusively represents owners in the marketing and sale of real estate via auction and sealed bid strategies, generating market value on an accelerated basis. The company leads auction programs for a broad range of residential and commercial properties, including luxury single-family homes, condominiums, retail and mixed-use property, development sites, hospitality and income-producing property. PRUSA’s programs provide clients with the competitive advantages they seek in both robust and challenging markets, connecting serious buyers with serious sellers on an accelerated basis. For more information, visit www.prusa.com.