

## PROVIDING QUALITY AFFORDABLE HOUSING, IMPROVING LIVES

More than 35 years ago, a young man from New Rochelle, New York, saw the Washington University campus for the first time and decided, “this is it.” Today, Sandy Loewentheil is working to make that experience possible for students from Harlem, the Bronx, and other disadvantaged communities.

Loewentheil's firm, L&M Development Partners Inc., has become one of the nation's premier companies in the field of affordable housing. It builds and develops mixed-income residential housing in the New York City metropolitan area, and its properties include a million square feet of commercial, retail, and parking garages.

### Learning and building

As an undergraduate, Loewentheil majored in psychology and studied business. He also took real estate classes through University College, which were taught by local businessmen. In his senior year, he was the campus rep for the Chase Park Plaza Hotel.

He returned home after graduation, planning to enroll in the M.B.A. program at New York University. But when his father offered him a chance to join the family real estate business, he seized the opportunity. Loewentheil began his career building luxury homes and condominiums in affluent communities of suburban New York and Connecticut. By the early 1980s, he was looking for a new challenge. He found his chance in the East Village, which had not yet become a trendy Manhattan neighborhood.

“I looked at a building on Avenue A,” he recalls. “Later that day, I was introduced to Ron Moelis, a lawyer from New Rochelle. By coincidence, he had just looked at the same building. We sat on a bench in Washington Square park and decided to go into business together. We've been partners ever since.” In 1984, they formed L&M Equity Participants Ltd., which became L&M Development Partners Inc. in 2007. In the beginning, they shared a desk and a secretary.

Their next project in the East Village, on Avenue B, had a deed restriction requiring 25 percent of the units to be reserved for low-income tenants. “That was our entry into affordable housing,” Loewentheil explains. “The field was just getting started, and we had to figure it out as we went along.”

At that time, the city was beginning to set up programs with developers to create housing for low- and middle-income tenants. To assess potential properties, Loewentheil and his partner hired a consultant, who selected “a gem of a site” in the Bronx. “We didn't realize he was being sarcastic,” Loewentheil says. L&M was designated to develop this site, consisting of 59 two-family houses.

“That was our first designation from the city,” Loewentheil says. “We learned a lot.” The project turned out to be very successful, and they started to do one or two projects for the city each year, progressing from duplexes to dilapidated tenements to mid-rise apartment buildings. Today, the workload has expanded dramatically to include approximately a dozen development projects annually.

“We raised the bar for quality, and that helped us make a name for ourselves,” Loewentheil says. L&M developed a successful model of constructing quality affordable housing with creative financing packages that include low-income tax credits, bond financing, and government subsidies.

Today the company has 150 employees, with offices in Westchester County and New York City. Working with Fortune 500 companies, governmental agencies, not-for-profit organizations, and other developers, it has completed more than \$2 billion in construction and development and more than 8,000 residential units, of which more than one-half are currently owned and operated by L&M.

The firm has been widely honored for its achievements. Recently it announced a \$100 million joint venture equity fund with Goldman Sachs to invest in affordable urban housing on a national level. Its current interests include brownfield development and the use of environmentally sensitive construction practices to earn LEED-certification for its buildings.

#### Investing in the community

From the beginning, Loewentheil was committed to improving the quality of life in urban neighborhoods. L&M works closely with schools, organizations, and community leaders, providing pro bono assistance to help rebuild local churches and parks. The company also mentors minority developers, works with at-risk youths, and sponsors sports programs.

Fifteen years ago, L&M established its first scholarship for urban high school students. Loewentheil initially supervised the application process and went to graduations. Today the company sponsors seven scholarships at New York high schools.

In 2001, Loewentheil began providing annual scholarships for students at Washington University. He serves on the National Council of Arts & Sciences and the New York Regional Cabinet, and he and his wife, Karen, are Life Patrons of the Eliot Society. They sponsor several annual scholarships and have endowed two scholarships. The Sanford C. Loewentheil Scholarship focuses on students with high financial need from Manhattan, the Bronx, and Brooklyn. The Sanford and Karen Loewentheil Scholarship extends their support to students from other urban areas as well.

Loewentheil personally took on the challenge of encouraging qualified students in these neighborhoods to consider Washington University. In 2007, he hosted a program in Harlem to introduce University representatives to a group of 50 influential high school principals, college advisors, and community leaders. In the fall of that year, Naia Ferguson, a student from East 119th Street in Manhattan, entered Washington University as the first recipient of the Sanford C. Loewentheil Endowed Scholarship. Ferguson, a sophomore psychology major in Arts & Sciences, says: "The opportunity to come to Washington University has been a dream come true. Since my first visit, I have felt at home."

James E. McLeod, vice chancellor for students and dean of the College of Arts & Sciences, led the University delegation to the Harlem program. He says: "Sandy has made it possible for us to reach out to students who otherwise might never discover the opportunities at Washington University. It is a pleasure to work with him, and I look forward to our ongoing collaboration."

In 2007, Loewentheil scaled down his responsibilities with L&M and now serves as vice chairman, allowing him to focus on a variety of personal interests, including philanthropy. He contributes his time and support to a variety of charitable and not-for-profit organizations, with a particular focus on scholarships. Chancellor Mark S. Wrighton says: "Sandy Loewentheil is genuinely engaged with helping people and communities. He is dedicated to opening doors for deserving students, and his generosity of spirit ensures that many more outstanding students will have the chance to achieve their dreams at Washington University."

—Susan Wooleyhan Caine