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Meet landlord Eugene Schneur, co-founder of Omni New York and partner of former major leaguer Mo Vaughn

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By *Katherine Clarke***Name:** Eugene Schneur**Age:** 41**Title:** Co-founder, Omni New York**Born in:** St. Petersburg, Russia**Currently lives in:** Manhattan

How many units does Omni own?

Omni owns 7,817 units, to be exact. We're in the Bronx, Brooklyn, Manhattan and Queens, as well as Westchester County, Nassau County, Ithaca, Massachusetts — and we have one property in Wyoming. But about 50 percent of the portfolio is in the Bronx.

What's your biggest building?

In December 2012, we purchased our largest complex. It's in the Bronx, right past the George Washington Bridge, called River Park Towers. It has 1,644 units. It was a complicated deal, because we assumed some old debt from the city. Combining assumed debt and monies paid, it cost over \$100 million. The property is now undergoing a renovation. Our smallest building is a 54-unit building in Harlem.

How did you meet your business partner, baseball All-Star Mo Vaughn?

I was a mergers and acquisitions attorney in my previous life and worked at Olshan Law. We were representing Mo when he was investing in some restaurants and lounges. One day, he called me and asked if I knew anything about affordable housing and low-income tax credits. We didn't do that kind of work, so I referred him to another firm. He called back — he was very persistent — and said, "This is a very interesting business." Very quickly, he convinced me to leave the law firm and enter the low-income-housing world.

Why did that world intrigue you?

There was a need back then. It was back when Mayor [Michael] Bloomberg's affordable housing plans were just getting started. Now, it's a very mature market. If we were breaking into this business in 2014, it would be much harder.

Did you establish Omni right away?

Yes, Mo lit the match. That summer, he and I partnered with [investor] Rob Bennett, who had knowledge of the affordable-housing world. He started doing low-income-housing tax-credit deals back in the early 1990s.

Which were the first buildings you purchased?

We purchased our first two buildings in December 2004 in the Bronx. Our niche has been tenant-in-place rehabs. It's a construction and logistics exercise, a lot of scheduling and working with the tenants to make sure that they're not going to be home [when work takes place].

Has Mo's celebrity status helped or hindered you?

When we first started, Mo's celebrity was the spark for our company, in terms of getting meetings. We would not have been able to grow as fast as we did without his name.

Explain the business model.

Over 80 percent of our tenants are Section 8. Tenants pay 30 percent of their income. The complex may have a rent increase, but the tenants continue to pay 30 percent of their income. We finance everything with bonds and low-income-housing tax credits.

What are the joys of the job?

That's easy: When you buy a complex that's really rundown, and you rehab it and are able to see it improve people's lives, it's a good thing.

You bought the crime-ridden Noble Drew Ali Plaza in 2007. Describe that experience.

It's 385 units in Brownsville, Brooklyn. We purchased it out of bankruptcy; it had a troubled history. It was built in the 1970s, and by the 1980s, it had become one of the most dangerous housing complexes in New York City. According to the police, they were selling about \$4 million of drugs a year out of there. In \$5 and \$10 increments, that's a lot of traffic. When we purchased it, the tenants had to go to the post office to collect their



Eugene Schneur

mail, because the mailman wouldn't go there.

Did people think you were crazy?

I was in California with my wife at a hotel pool, and Mike Tyson was sitting next to us. I knew that Mike Tyson grew up a few blocks away from the Plaza, so I told him I just bought it. He looked at me and said, "Why would you do that?" The former baddest man on the planet thought it was a bad idea.

What tool could you not live without in this business?

Security cameras. We put them everywhere. If you're on our block or the perimeter of our property, you're on camera. Some of the tenants say it's like Big Brother, but most have no issue with it. If someone leaves garbage in the hallway without taking it downstairs, we can run the cameras and give the person a violation. We also employ 11 former New York Police Department personnel, who work for us full-time doing security.

What's next for Omni?

We have a site that can support 300,000 buildable square feet of development [on Morris Avenue in the Bronx]. We're also under contract to purchase 600 units in Newark. It will be our first deal in New Jersey.

Are you doing any selling?

We've never taken anything out of affordability, and we've never sold anything.