

THE JEFFREY

Acquisition

MARCH 2010

QUICK FACTS

- 80 units for households at or below 50% MFI (including 50 units at or below 30% MFI); 50 studio plus 30 one bedroom apartments
- Located at 1201 SW 11th Avenue (adjacent to HAP's Martha Washington building and across the street from the St. Francis Apts.)
- Operational subsidies will include: 30 Project Based Section 8 (PBS8) units (formerly on-site) and 20 public housing units. Twenty five of the PBS8 units operate as Permanent Supportive Housing managed by four non profit service providers.
- 3,500 sq ft of ground floor commercial space leased to Outside In
- LEED Gold certified building, courtyard with bio-swales, trolley access



DEVELOPMENT BACKGROUND

Located in downtown Portland, The Jeffrey is a new six floor development constructed in 2008 next door to the historic Martha Washington Apartments. The property is fully leased and managed by Pinnacle Realty, a private property management firm. The project is considered a preservation project in that it serves as replacement housing for the former Jefferson West Apartments which were located around the corner from this site.

Homestead Capital and the City of Portland approached HAP during spring 2008 about the opportunity to assume the general partner role in the existing tax credit partnership. The former general partner was E&F Property Three, LLC.

Twenty-five units are funded with case management services meeting the City's permanent supportive housing (PSH) goals to address homelessness. PSH units are managed by Outside In, Cascadia, NW Pilot Project and Central City Concern. Cascadia provides resident service coordination for the entire building.

HAP assumed the Managing General Partner role in the tax credit limited partnership that owns and operates the building in February 2010. HAP's affordable housing asset managers assumed oversight of the property and the property management firm as of March 1, 2010.

2008* SOURCES AND USES

Funding Sources			Project Uses		
LIHTC Equity (9% credits)	\$6.9 M	41%	Land Acquisition	\$2.2 M	14%
PDC Urban Renewal TIF	\$9.2 M	55%	Construction	\$10.8 M	65%
Sustainability grants**	\$.2 M	1%	Development	\$1.9 M	11%
Miscellaneous***	\$.5 M	3%	Financing Fees	\$.4 M	2%
			Developer Fee	\$.9 M	5%
			Contingency/Reserves	\$.6 M	3%
\$16.8 M			\$16.8 M		

* original development budget by E&F Property Three, LLC demonstrates public resources; does not represent transaction costs for HAP's acquisition of the property. ** Energy Trust of Oregon, BETC, OHCS Weatherization *** State Trust Funds, Outside/In, Portland SDC waivers