



## Community Preservation Partners Purchases 179-Unit Senior Housing Property in Anaheim

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Community Preservation Partners (CPP) has acquired the Miracle Terrace Apartments, a 179-unit, seniors affordable housing property in Anaheim, in a \$53.5 mil joint venture with nonprofit Jamboree Housing.

CPP purchased the 45-year-old property from a private owner for \$37.4 mil in a transaction syndicated by CPP's parent company, WNC & Associates. As part of the agreement, the Anaheim Housing Authority (AHA) will help maintain rents at below-market levels for 124 of the apartments, with the remaining units being covered by new affordability restrictions that CPP has put in place.

"Had CPP not stepped in when it did, these seniors would have lost their homes," said CPP President, Anand Kannan. "The residents of Miracle Terrace have been dealing with the uncertainty of rent hikes for many years now and they have been supported by different nonprofit groups. Thankfully, now they can rest assured that they won't be priced out."

Orange County is one of the most affluent counties in the nation and it has seen skyrocketing real estate values, which has put a heavy burden on many of its low-income residents. Even apartments that are subsidized by the U.S. Department of Housing and Urban Development (HUD) are vulnerable because the affordability terms expire.

At Miracle Terrace, the term was due to expire in 2019. Now, the AHA will renew 40 of the apartments for an additional 15 years and residents in 84 of the existing project based apartments will receive tenant protection vouchers through the AHA under the agreement struck by CPP.

Of the 179 units, 40 one-bedroom apartments will be available for seniors who live at the lowest end of the low-income spectrum: 35 percent of the area median income (AMI). Eight protected studio apartments will be available for seniors at or below 50 percent AMI, and the remaining units are a mixture of studios and one-bedrooms that will be available for seniors at or below 60 percent AMI.

"This was nearly a crisis for the tenants and the city at large, and many private investors have been hesitant to get involved due to recent uncertainty in the affordable housing markets. However, we were able to bring all of these entities together in a deal that was mutually beneficial for all," Kannan said.

Irvine-based CPP will invest \$7.4 mil in renovations to Miracle Terrace as well as common areas that are accessible to all who dwell there. Located at 225 S. Western Ave in Anaheim, the building's rehabilitation will include the following:

- New air conditioning units
- Energy-efficient appliances
- Water-conservation upgrades
- Exterior paint and façade improvements
- Interior corridor paint, flooring and amenity improvements
- Newly installed countertops, cabinets and flooring

Additionally, CPP will work with Eco-Gen Energy, a clean-technology company that specializes in the building and installation of hybrid generators, to keep utility costs down and eventually have the option of bringing Miracle Terrace completely off the power grid.

Jamboree Housing will provide additional services to residents, including:

- Health & Wellness Programs
- Mobility & Balance Awareness Programs
- Service Coordination
- Community Events