



Community Preservation Partners Completes Rehabilitation of Portland Affordable Housing Community

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Community Preservation Partners (CPP) has completed the rehabilitation of Plaza Townhomes, a 68-unit affordable housing community in Portland, OR. The 12-month rehabilitation cost more than \$50k per unit – an investment about 50% higher than the industry average.

Plaza Townhomes consists of 34 two-bedroom units and 34 three-bedroom units spread over 17 buildings at 5802 N. Michigan Ave. It was purchased from Home Forward, the housing authority serving the Portland area, for \$6.7 mil in August 2016. It was the first deal in the state for CPP, which owns more than 5,000 affordable housing units nationwide.

The improvements included an updated computer lab and children's playground. In addition, residents were given a variety of upgrades including new doors, windows, plumbing, HVAC, insulation and exterior siding.

Under the terms of the deal closed by CPP last year, residents of Plaza Townhomes will not be subjected to a rent increase set by the open market for an additional 30 years. During that time, rents will be stabilized at affordable levels through a variety of government programs.

"These substantial improvements will enhance the lives of residents and preserve affordability within the city of Portland," said CPP President Anand Kannan. According to Kannan, CPP is actively looking for additional properties in Portland and the greater Pacific Northwest region.

"With a recent influx of luxury housing displacing much of the city's working class residents, there has been an accelerated local need for affordable housing protections in the city of Portland," said Portland Mayor Ted Wheeler. "Affordable housing is a top concern for our residents and the municipal government. Private sector solutions like this are a huge help for us as we work to combat homelessness and provide fair and affordable housing for all."

CPP's acquisition of the community, which was facilitated by the national Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA) using 4 percent tax credits and bond proceeds, was backed by its lead investor, Citi Community Capital, and CPP's parent company, WNC & Associates.