



Community Preservation Partners Has Acquired CO Affordable Housing Property with Plans for Extensive Renovation Work

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Community Preservation Partners (CPP) has acquired and recapitalized Casa Del Sol, a 47-year-old, 154-unit affordable housing community in Pueblo, CO. The \$22.6 mil project marks the developer's entry into Colorado – its ninth state. CPP also maintains rehabilitated and recapitalized homes in California, Utah, Oregon, New York, Virginia, Nevada, Indiana and New Mexico.

CPP plans a massive renovation of the property, which has not been maintained and still has original appliances, cabinetry and windows from the 1970s. The rehabilitation is comprised of a \$9 mil purchase price, \$7.4 mil in construction and \$6.2 mil in soft costs. It includes a 20-year project-base rental assistance contract with the U.S. Department of Housing and Urban Development (HUD) and the securing of low-income housing tax credits that require eight units to be restricted to households earning 30% or less of the area median income (AMI) and 145 units to be restricted to 50% or less of the AMI.

"This important rehabilitation, our first in Colorado, will deepen the affordability of Casa Del Sol for decades to come and modernize it to the level of a market-rate community," said Anand Kannan, president of CPP. "The seller's previous contract with HUD expired last month, so we acted quickly and creatively to prevent the community from a complete economic collapse."

Work will begin this month and is scheduled to be completed by July 2020. Health and safety issues will be addressed as a top priority, Kannan said. Other improvements will include:

- Exterior stairs, resealed asphalt and improved sidewalks
- New roofing
- Updated appliances
- New flooring
- Kitchen cabinets and counter tops

Additionally, eight units will be brought into compliance with the Americans with Disabilities Act. Residents in those units may be relocated to a hotel at CPP's expense for up to four weeks, while everyone else could be relocated for up to four days while their homes are being abated and exterior stairs are being replaced – also at the expense of the developer.

Financial partners on the Casa Del Sol rehabilitation include WNC & Associates and the Housing Authority of the City of Pueblo.