



Community Preservation Partners and The Hampstead Companies Undertake \$26 Mil Affordable Housing Rehabilitation Project in Montana

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Community Preservation Partners (CPP), in a partnership with The Hampstead Companies, has acquired its first property in Montana – the Ponderosa Acres Apartments located in Billings. The purchase is the first step in a rehabilitation project totaling \$26.3 mil.

First built in 1972 and last renovated in the late '90s, the multifamily rental property was purchased for \$12.5 mil. The property will undergo significant renovations by the new owners at a cost of \$6.5 mil with additional soft costs of approximately \$7.3 mil. Construction is set to begin in May and scheduled to finish by the end of the year.

Located at 1301 Industrial Ave, the property's affordable housing protections were set to expire in less than three years. According to the terms of the deal, the community will now remain affordable for the next 46 years before converting to market rate pricing.

CPP parent company WNC & Associates and Red Stone are providing additional financing for the rehabilitation project. The non-profit Foundation for Affordable Housing (FFAH) will serve as the managing general partner (MGP) with Tamarack Properties as the management agent and MFRG-ICON as the general contractor.

"No matter where you live, in urban or rural America, the COVID-19 outbreak is creating a financial crisis for many, many families," said CPP President Anand Kannan. "The current economic difficulties underscore the importance of our efforts in the affordable housing industry to serve vulnerable communities in Montana and throughout the country."

Along with standard unit overhauls such as new cabinets, counters, energy-rated appliances, bath vanities and new lighting, the Ponderosa Acres Apartments will receive a suite of upgrades, including:

- Complete replacement of the roof, windows and stairs
- Siding replacement and stucco repair
- HVAC and AC upgrades
- High-efficiency boilers, insta-hot water heaters and extensive plumbing upgrades
- Modern security system
- Common-facility improvements
- Landscaping, irrigation and playground updates
- ADA upgrades

In keeping with extensive COVID-19 guidelines from the CDC, residents will be temporarily relocated during construction.