

## MHIC News

December 9, 2015

### Top Connecticut housing officials join celebration of renovations at senior affordable housing in Middletown

Old Middletown High School Apartments was considered one of Connecticut's most "at risk" properties

Top Connecticut housing officials joined with nonprofit developer Preservation of Affordable Housing (POAH), lenders, community leaders and the residents of a 65-unit senior and disabled affordable housing complex in Middletown to celebrate the progress of renovations that will improve the building's energy efficiency, handicap accessibility, kitchen and bath amenities and common areas.

Old Middletown High School Apartments is part of a National Historic District and was individually listed on the National Historic Register of Historic Places in 1985. The building, designed in Romanesque Revival style, was Middletown's second high school until 1973 and is one of the few monumental civic buildings of the 19th century remaining in the city.

Before the acquisition, POAH considered the Old Middletown High School property one of Connecticut's most at risk properties because of its downtown location and historical significance.



POAH acquired the property in March 2014 with the mission of providing affordable rents for its low-income senior and disabled residents and began a two-year plan for renovation of the property. The acquisition was made possible by with Connecticut Housing Finance Authority (CHFA) tax-exempt bond financing and an award of CHAMP (Competitive Housing Assistance for Multifamily Properties) funds enabling the substantial rehabilitation of the buildings and the guarantee for long-term affordability. The property also received an allocation of state historic tax credits through the CT. Department of Community and Economic Development.

POAH received a \$4.33 million in low-income housing tax credit investment from MHIC, with TD Bank as the LIHTC investor. Additionally, MHIC provided POAH with a \$3 million acquisition bridge loan.

"The strong support from our financing partners including the Connecticut Department of Housing and Connecticut Housing Finance Agency (CHFA) helped secure this critical affordable housing asset for Middletown and the State of Connecticut," said POAH President and CEO Aaron Gornstein.

"In Connecticut we are building affordable housing at an unprecedented rate," said Housing Commissioner Evonne M. Klein. "The renovations that we are celebrating today will help to add a renewed sense of vibrancy to this wonderful neighborhood and will also increase the number of affordable units we have in our state's housing stock.

Financing details:

- . Acquisition bridge financing (\$3 million) and a \$4.33 million LIHTC investment through MHIC with TD Bank as investor
- . Connecticut Housing Finance Authority (CHFA) construction/permanent loan and 4% LIHTCs
- . CHAMP (Competitive Housing Assistance for Multifamily Properties) funding of \$ 4,561,000
- . State Historic Tax Credit through the CT department of Community and Economic Development– Eversource investor
- . POAH worked with HUD to obtain a long-term renewal of the Section 8 contract that covers the entire property which would otherwise was set to expire within the next five years.



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