



**OPPORTUNITIES
IN SENIOR
HOUSING
DEVELOPMENT
UTILIZING CHURCH ASSETS**

MISSION

The Mission of RHF (Retirement Housing Foundation), a national nonprofit organization, is to provide various housing options and services for older adults, low-income families, and persons with disabilities, in an environment which enhances their quality of life: physically, mentally, and spiritually.



RHF is committed to serving its residents and their local communities.

RHF TODAY

- 2,500 full and part-time employees
- Over 17,000 units serving 18,000 residents
- 172 communities in 27 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.
- Financial Strength (as of 03/31/2014):
 - Net Worth: \$160,117,000
 - Liquidity: \$67,635,000



FAITH BASED AFFILIATION

- Founded in 1961 by two members of the UCC Church
- Work closely with the Council of Health and Human Service Ministries of the UCC (CHHSM)
- Serve all people, no matter their faith, and have worked with several denominations



DEVELOPMENT FOCUS

- **Affordable Housing**
 - New Construction
 - Acquisition/Rehab (Preservation Housing)
- **Market Rate**
 - Assisted Living
 - Skilled Nursing



CONGREGATIONAL TOWER

CHULA VISTA, CA

- 186 senior units
- Restricted to 62 years & older
- 16 stories
- Built in 1973
- Owned by the Community Congregational Development Corp., a California nonprofit corporation affiliated with the UCC Community Congregational Church, located next door.



- Change Management Companies
- Refinance Building to provide modest rehab
 - Tried HUD refi 221(d)(4) but it did not generate sufficient rehab dollars.
 - Fix plumbing and some HVAC upgrades





- **Old Financing**
 - HUD 236
- **New Financing**
 - 4% Tax Credits
 - Tax Exempt Bonds
 - Seller Financing: Residual Receipts Notes
 - New 20-Year HAP Contract
- **\$10.5 Million Rehab**

VESTED OWNER

Purchase & Sale Assigned to New Limited Partnership

Managing General Partner

Co-Member (51%): RHF

Co-Member (49%): Church

Investor Limited Partner (99.99%)

DATE

TASK

START

Negotiations of Memorandum of Understanding (MOU)

1 MONTH

Complete and Execute MOU.
Hire Consultants (Architect, Capital Needs Surveyor, Appraiser, Relocation Consultant, Market Analyst, etc.)

1.5 MONTHS

Foundation Property Management (FPM) will submit to HUD for approval as property manager

2 MONTHS

Capital Needs Assessment Completed.
Architect to begin schematic drawings

3 MONTHS

FPM to take over management of building. Complete Rent Comp Study

DATE

TASK

3 MONTHS

Finalize renovation scope of work and relocation plan. Send to General Contractor to establish budget.

3.5 MONTHS

Submit to HUD for approval to prepay mortgage and 20 year HAP contract with increased rents.

5 MONTHS

Finalize renovation costs and sources and uses

6.5 MONTHS

Tax Exempt Bond application submitted to issuer.

7.5 MONTHS

Tax Exempt Bond & Tax Credit applications submitted to California Debt Limit Allocation Committee (CDLAC) and California Tax Credit Allocation Committee (TCAC).

DATE

TASK

10 MONTHS

CDLAC & TCAC meeting to award Bonds and Credits

12 MONTHS

Close and begin renovations

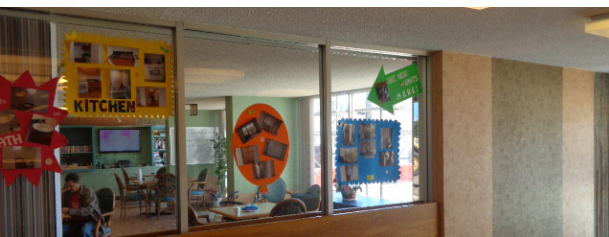
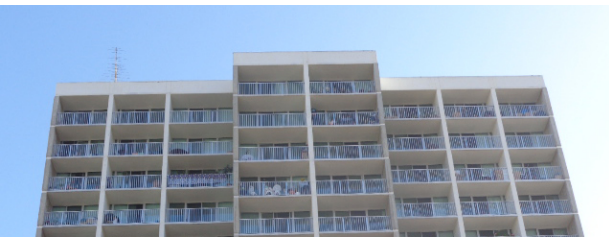


DESIGN CONCEPTS

- Neighborhood/Stakeholder Participation
- Sustainability
- View Corridors
- Greening
- Cost Effective Design
- Improve/Expand Common Area Space
- Improve Curb Appeal
- Update Units



ON-SITE RELOCATION SERVICES



- Hold community meetings to explain on-site relocation program
- Conduct individual interviews (using translators) to survey residents
- Prepare Relocation/Habitability Plan, providing copies (in appropriate languages) to the residents and City officials
- Process cost reimbursements to residents
- Provide on-site offices with staff fluent in several languages
- Move tenants to vacant units within building

PLACEHOLDER

VIDEO TO BE INSERTED BTWN SLIDES 28 & 30





Church Benefits

- Partner with Developer & Manager with similar mission
- Received \$20.9 million for building (\$14.2 million in cash at close)
- Remaining \$6.7 million in Sellers Note. Paid through cash flow
- Will receive 40% of the Developer fees, or \$1 million
- Maintained 49% of the ownership

Church Benefits (con't)

- \$10.5 million rehab to the building
- First Right of Refusal to buy building after 15 years
- Participation in the design and rehab of the building
- Indemnification from RHF
- Predevelopment Advances from RHF to pay Church's legal and other costs

