Cedarwest Apartments 121 Expiring Affordable Units

2025 Preservation Funding Request

AHAC Public Meeting July 9th, 2025



Vital Housing Overview

CREATE AND PRESERVE AFFORDABLE HOUSING

We target multifamily housing communities that:

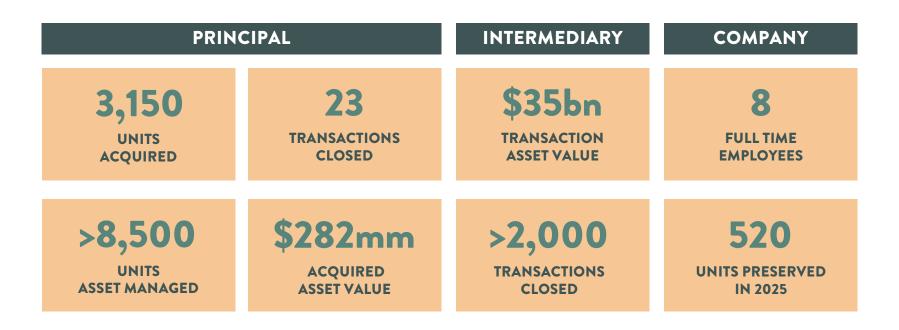
- Are at risk of **losing** affordable units
- Can benefit from **energy efficiency improvements**

We preserve affordability of the properties we acquire by blending public incentives and subsidies with mission driven private capital.

But for Vital Housing's investment, these properties would convert to market rate housing once their restrictions expire.

Vital Housing Leadership Experience

Vital Housing's leadership have over 80 years of collective experience investing, owning and operating affordable housing



Cedarwest Preservation Risk

AFFORDABILITY	 121 units built in 1998 with LIHTC 20 units @ 35% AMI - \$697 Avg rent 101 units @ 60% AMI - \$1,484 Avg Rent
MARKET CONVERSION	Average gap-to-market rents of \$513 per unit make the property highly desirable for market rate conversion
EXPIRING LURA	Affordable restrictions expire 12/31/27
PROPERTY STATUS	Currently marketed for sale, <u>VITAL HOUSING</u> is the <u>only group pursuing a preservation execution</u>

If Cedarwest affordability not preserved...

When affordability ends, most residents face more than displacement, they face housing instability which leads to homelessness.



Displacement of a minimum **226 low-income Bend residents**



Rents will increase on average >\$500/month



Affordable units begin converting to market on **January 1st, 2028** with 100% loss by 2030.

City of Bend Support Needed

- \$500,000 in Affordable Housing Funds (AHF pool)
 These funds are necessary to secure the long-term affordability Cedarwest.
- Approval of Nonprofit Property Tax Exemption
 Without exemption, an additional \$1.8mm in preservation funding is needed to preserve Cedarwest.
- Letter of support for OHCS preservation funding

 Local support is critical in securing the remaining funding necessary to

 preserve Cedarwest.

Vital Preserved Properties in 2025



Property Orchard Park
City, State Salem, OR

Units 224

Year Built 1993

Expiring Restrictions 100% @ 60% AMI

Preservation Restrictions 100% @ 60% AMI

Extended Affordability 60 years

Mkt Advantage \$306

Subsidy Funding \$23,000,000

Property Taxes Exemption received

Status Closed Feb. 2025



Belmont Dairy

Portland, OR

85

1996

65 units @ 60% AMI

67 units @ 60% AMI

99 years

\$507

\$6,000,000

Exemption received

Closed Jan. 2025



Courtside

Olympia, WA

211

1996

100% @ 60% AMI

75% @ 60% AMI

20 years

\$283

\$1,357,699

Exemption received

Closed Jan. 2025

Without Preservation, Cedarwest Will Accelerate Bend's Homelessness Crisis



"If you want to know why your city has high rates of homelessness, look at housing costs."

-Gregg Colburn 'Homelessness is a Housing Problem'

"High housing costs and vacancy rates predict homelessness more reliably than mental illness, drug use, or poverty."

HOUSING STRESS IN BEND

- ➤ Bend ranked top 10 nationally for least affordable home price-to-income from 2020 to 2024.¹
- ➤ Bend was the only metro outside of California and Hawaii on that list.¹
- ➤ Median rent and AMI grew at ~10% annually, but housing production failed to keep pace.

Preserving affordability at Cedarwest protects 121 families from displacement and prevents an avoidable surge in homelessness.

¹ Harvard Joint Center for Housing Studies, State of Nation's Housing 2025