

INDUSTRY WRAPUPS

From the November 23, 2003 print edition
Business District

D.C. nonprofit wins \$1.5M loan for housing investment

Suzanne White

The MacArthur Foundation, a Chicago-based grant-making institution, has given D.C.-based Community Preservation and Development Corp. a \$1.5 million low-cost loan to preserve affordable housing in the D.C. area.

The loan was one of 15 grants and loans awarded nationwide to be used for preserving and improving the supply of affordable rental housing.

CPDC President Leslie Steen says in a statement that the money will be used to purchase affordable housing units before for-profit developers buy and convert them to market-rate residential projects.

"In the metro area," Steen says, "we are not building new affordable rental units Preserving what we have is essential."

According to CPDC, from 1990 to 2000 the inner suburbs gained 30,800 people but only 20,000 rental units. In the same period, the District lost 3,400 residents and lost 9,500 affordable housing units.

Since CPDC (www.cpd.org) was founded in 1989 it has purchased and preserved more than 3,000 affordable housing units. Its projects include Edgewood Terrace, a rehabbed 292-unit apartment in D.C. with 40,000 square feet of community space; and Essex House, a 135 unit apartment in Takoma Park.

Of the total \$50 million in loans and grants, the MacArthur Foundation allotted \$35 million to nonprofits in 25 states to buy, refinance and renovate rental housing for low-income families. The foundation has earmarked \$10 million in loans for lenders to finance transactions. And the remaining \$5 million is going to research, policy analysis and public education to improve education and supply of affordable housing.

... The economic stimulus of the federal government shows no signs of slowing down and the area continues to be one of the most coveted multi-family investment markets in the nation, according to a recently released report by Marcus & Millichap Real Estate Investment Brokerage.

According to the Marcus & Millichap (www.marcusmillichap.com) report:

- Employment growth is expected to accelerate next year with a gain of 2.3 percent.
- Construction will slow in 2004, with 5,650 residential units expected to be completed. An estimated 6,800 units will be delivered by the end of 2003.
- Metro-area vacancy is expected to rise to 6.2 percent by the end next year, up from an expected 5.6 percent at year-end 2003.
- Overall effective rents are expected to grow 1.6 percent in 2003, with an increase of 1.9 percent projected for 2004.

... Farewell to Molly Brannon who is leaving her post as senior public relations and marketing manager at Studley for the New York office of GVA Williams.

In her four years at Studley, Brannon planned and color-coordinated some of the firm's most notable events, including baking, decorating and packaging 100 Studley logo-shaped cookies for Studley's holiday party despite her cooking phobia. Brannon also spent two months researching and preparing Studley's first street map of D.C.

Her last day at Studley is Nov. 21; she starts as marketing director for GVA Williams (www.gvawilliams.com) Dec. 1.

... Cushman & Wakefield's D.C. office has been named the national headquarters for The Apartment Group, a multifamily brokerage group that will be headed by Keith Misner.

Misner most recently was the national director of the Financial Services Group at Grubb & Ellis and developer of senior housing projects at CB Richard Ellis in D.C. Misner will oversee 25 brokers in his new role.

© 2003 American City Business Journals Inc.