

Achieving Scale Through Portfolio, Partnerships, and Mergers



Randy Parker, Managing Director
and Chief Financial Officer
Preservation of Affordable Housing

Who we are

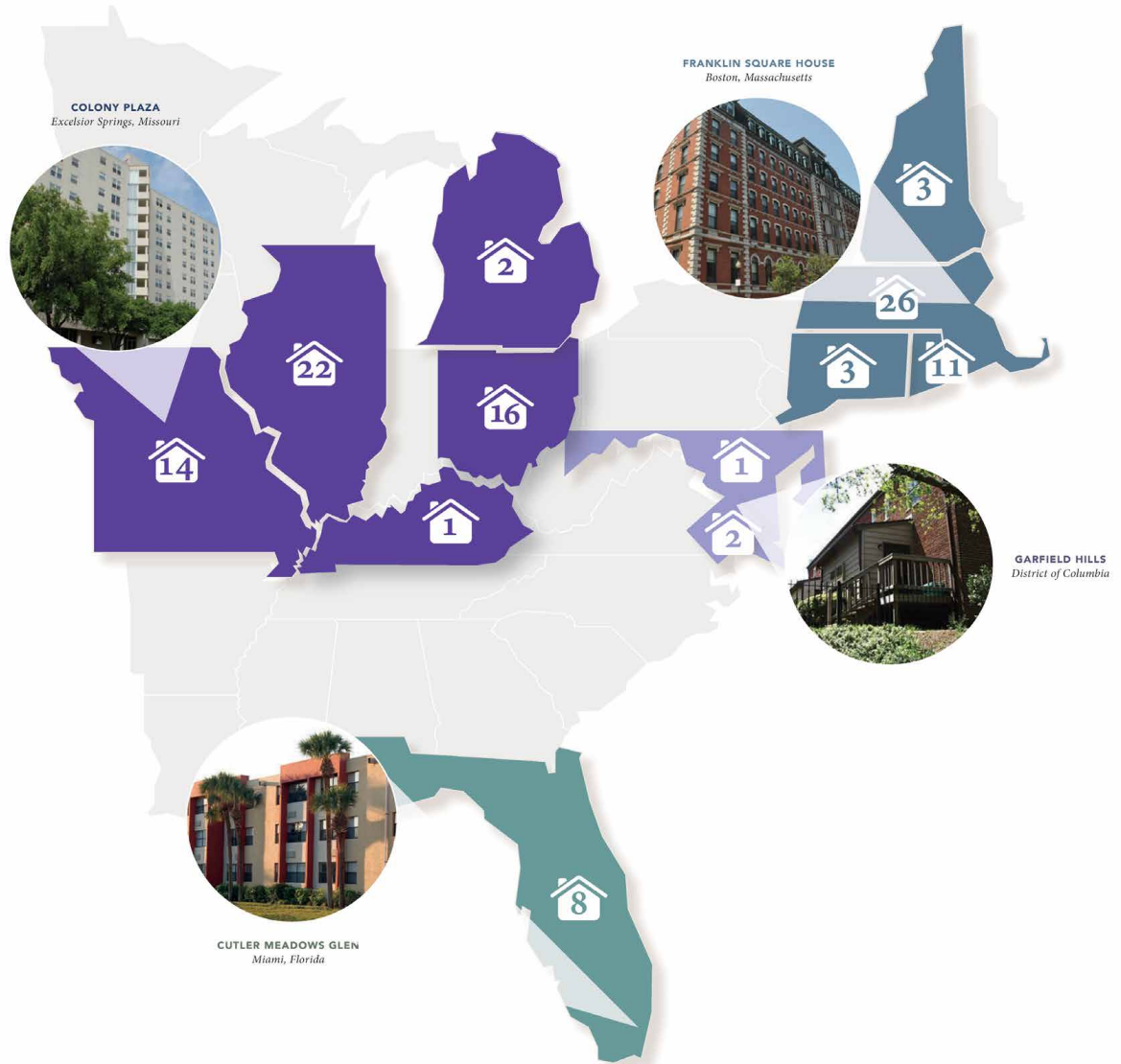


Preservation of Affordable Housing is a nonprofit organization whose mission is to preserve, create, and sustain affordable, healthy homes that support economic security and access to opportunity for all.

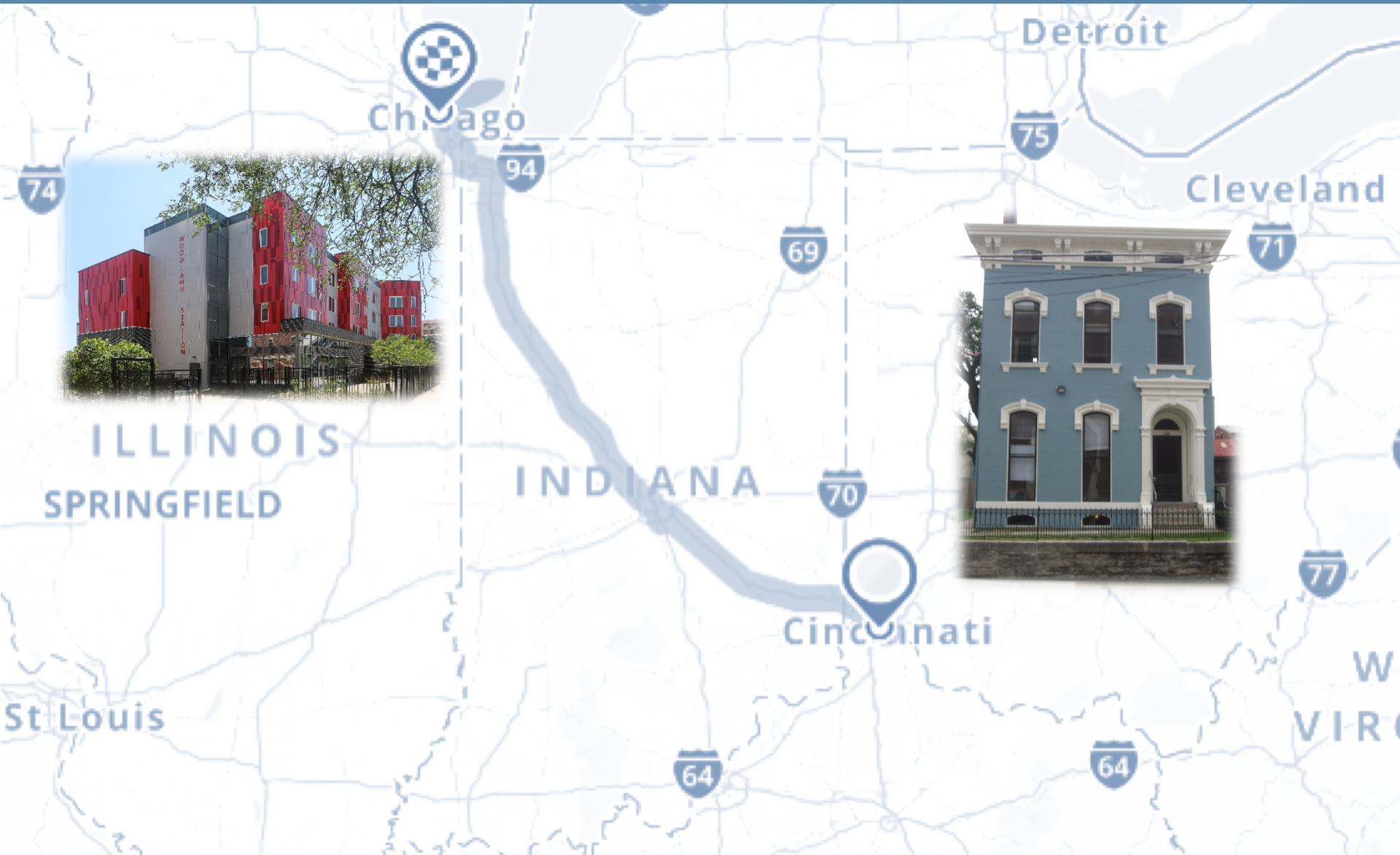


Where We Are – 11 states & DC

11,000
apartments



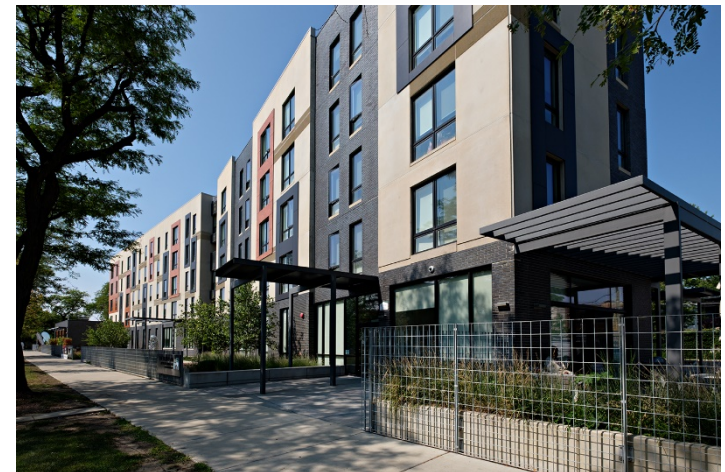
POAH in Chicago and Cincinnati



The Chicago Story

In 2008, at the invitation of concerned residents, POAH acquired Grove Parc Apartments, a Section 8 housing development between 60th and 63rd Streets marked for closure, then demolished it and built in its place “Woodlawn Park” containing:

- new, LEED certified apartment buildings
- commercial spaces
- 8,000 s.f. community center
- retail businesses



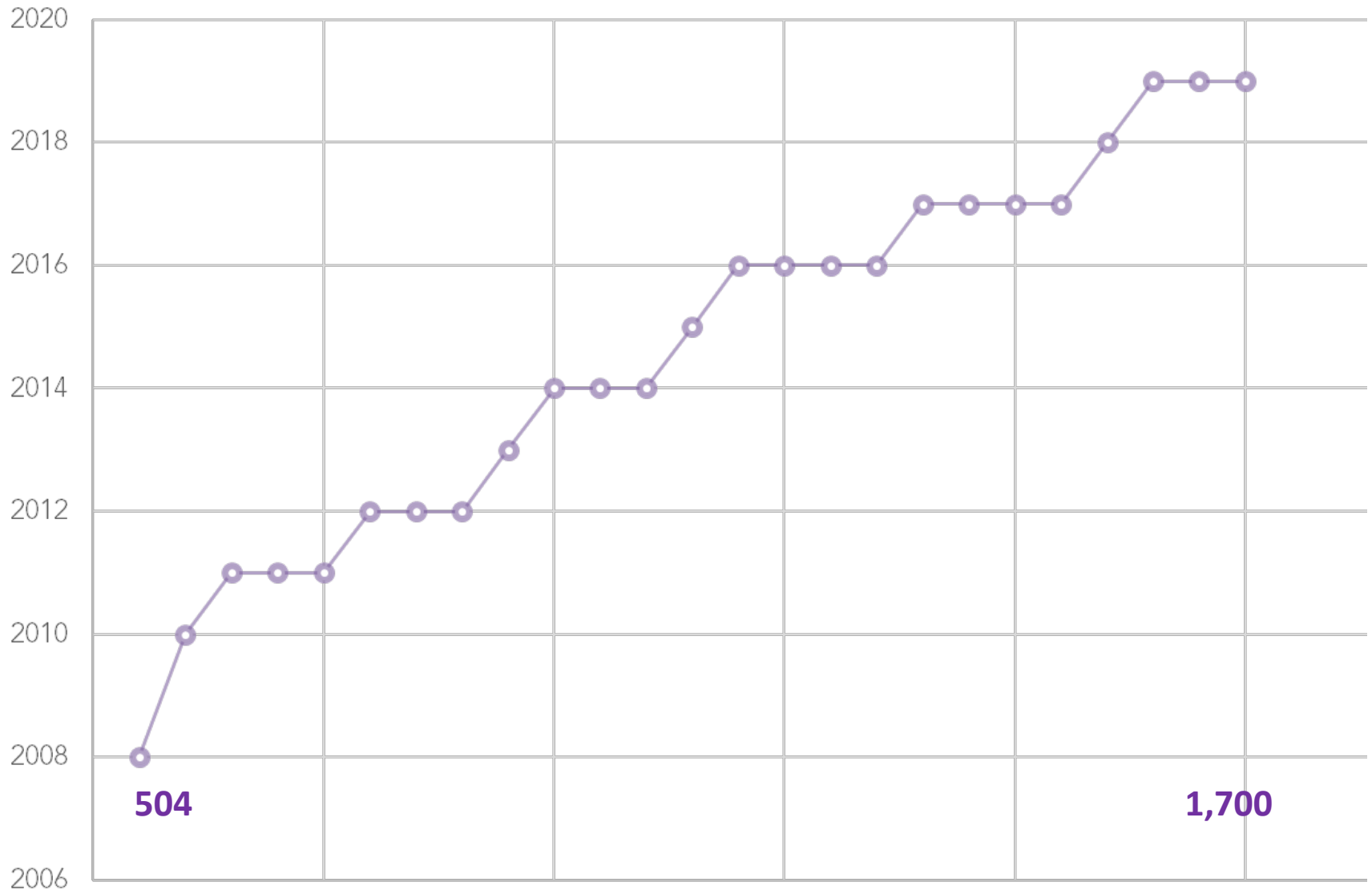
The Strategy

Bolstered by a \$30 million HUD Choice Neighborhood Initiative grant in 2011, POAH's revitalization of Woodlawn created new levels of community collaboration and partner-driven development:

- a youth center
- grocery store
- improved transit stop
- retail tenants



Illinois housing units acquired/closed since 2008



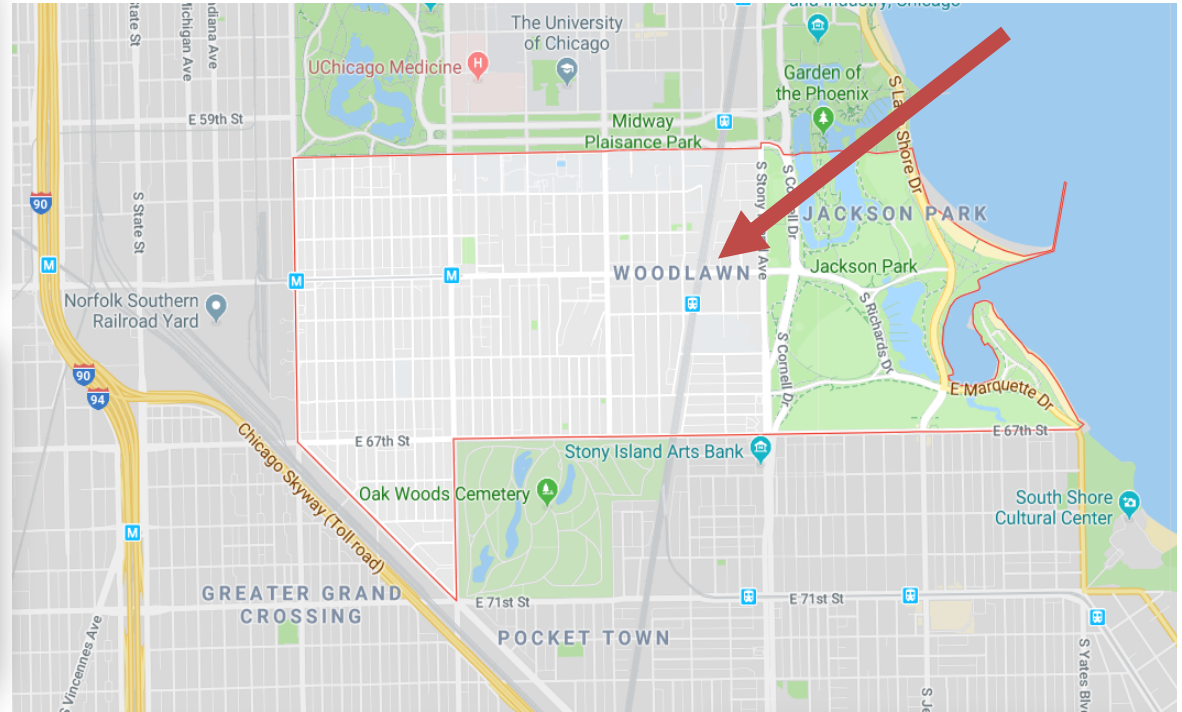
We started in Woodlawn, then expanded to other Chicago neighborhoods



Kenwood



Near West Side



Grand Crossing

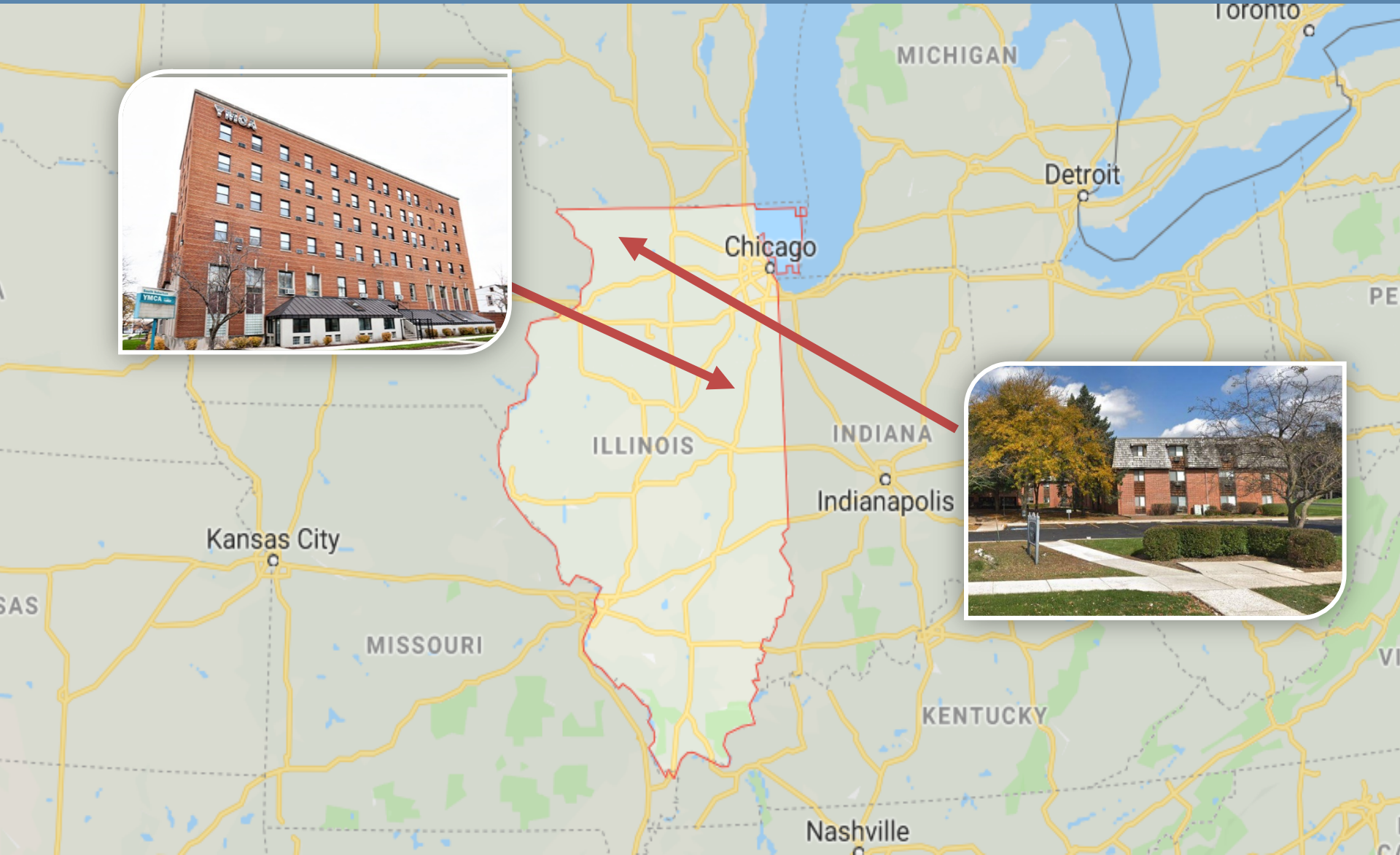


Far South Side



Austin

and later, the suburbs of Harvey and Elgin,
Illinois



The Cincinnati Story



In 2018, POAH acquired a portfolio of 1,200 apartments in and around Cincinnati – a city with quickly-gentrifying neighborhoods – in order to preserve their affordability.



- Deal brought to POAH initially as 3rd party management proposal based on POAH C/Community Impact programs – our approach to resident services
- Development firm with strong reputation and relationships in Cincinnati
- Acquired 1,200 units, scattered site (338 buildings) concentrated in the highly-desirable Over the Rhine neighborhood
- Acquired the local property management company (division of developer) with 30 employees
- Established strategic alliance with developer to facilitate future development pipeline

Lessons learned



- Know your strength (and your weaknesses)
- Recognize the nuances of markets
- Be humble, listen, and don't assume you have the right answer
- Determine the key relationships for success (local funders, lenders, agencies and residents)
- Recognize challenges of remote offices – hiring staff and extension of the culture of the organization
- Use due diligence to assess and plan for risks (understand details)
- Understand the operating costs of the market – local differences, taxes, insurance, utilities

Thanks for listening!



www.poah.org
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