

Achieving Scale Through Portfolio, Partnerships, and Mergers



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

Who we are



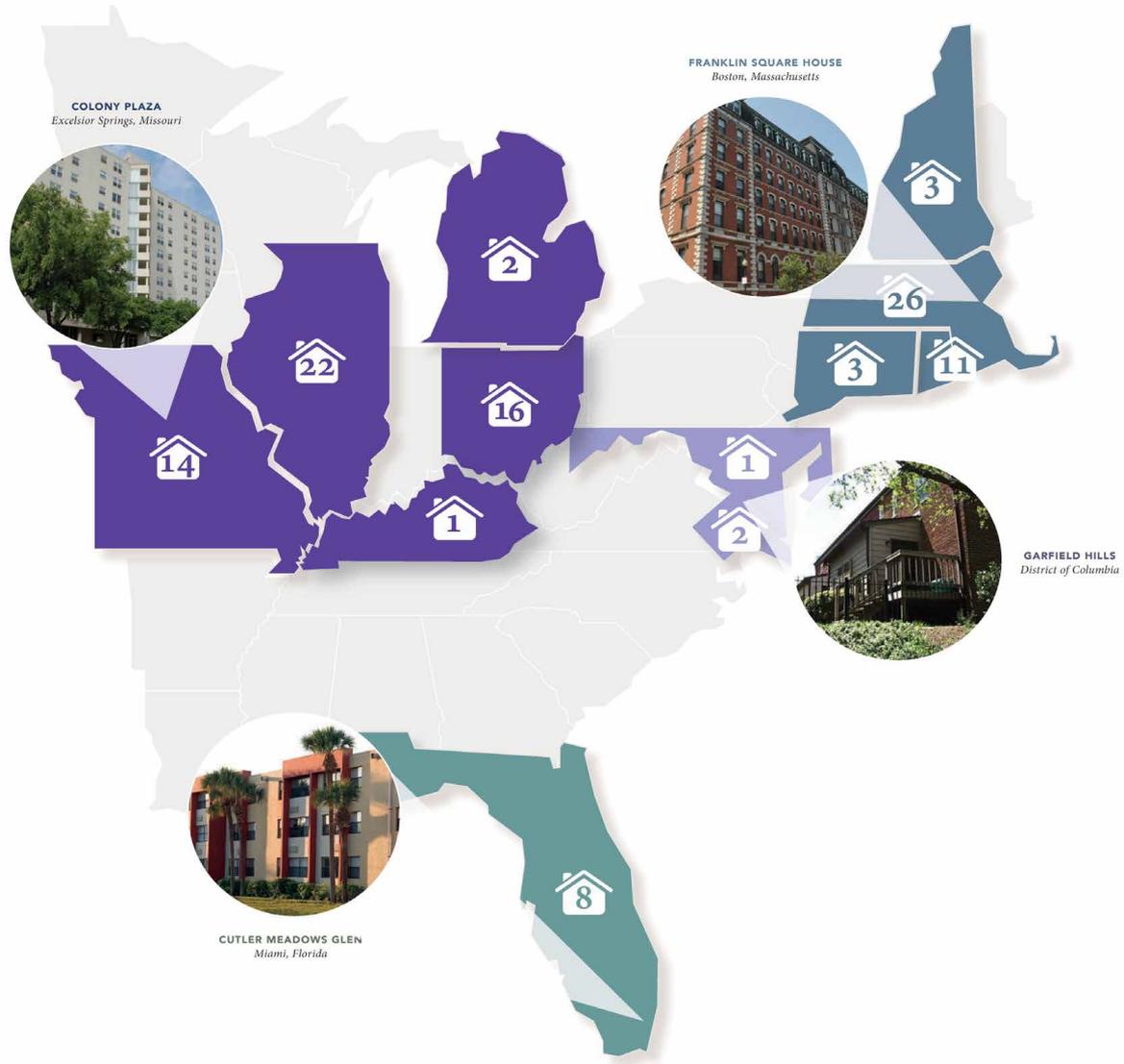
Preservation of Affordable Housing is a nonprofit organization whose mission is to preserve, create, and sustain affordable, healthy homes that support economic security and access to opportunity for all.



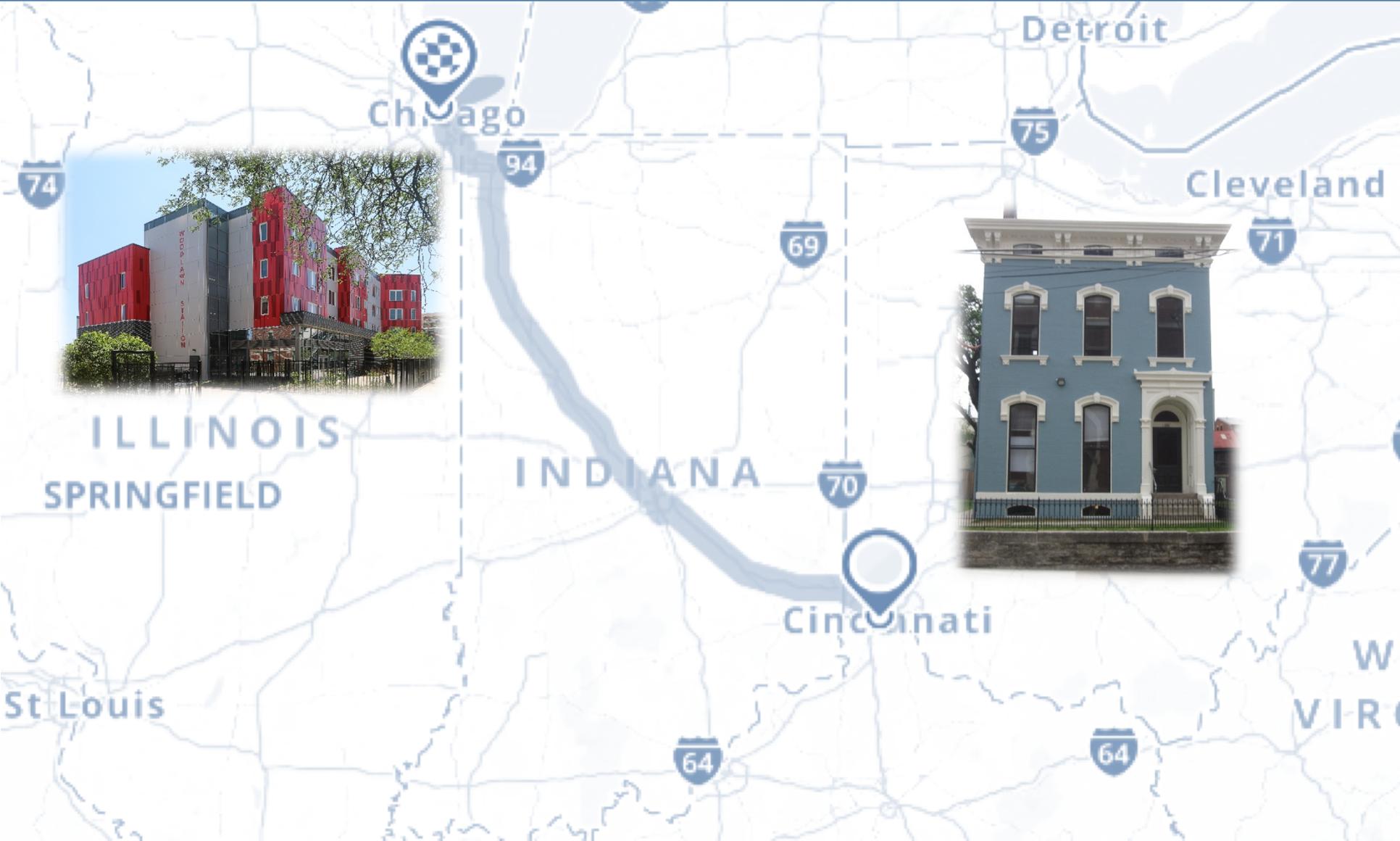
Where We Are – 11 states & DC



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



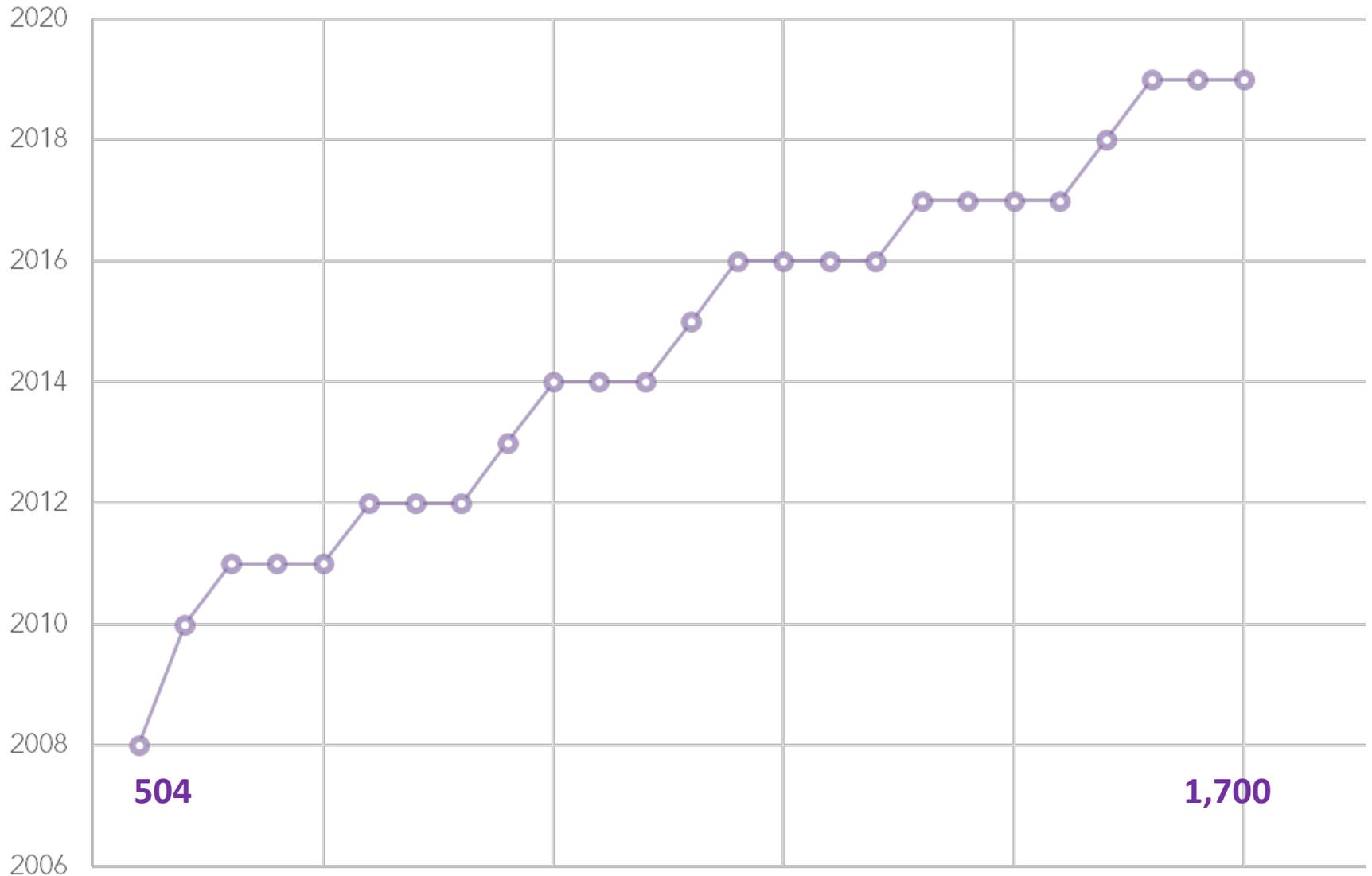
The Strategy

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:

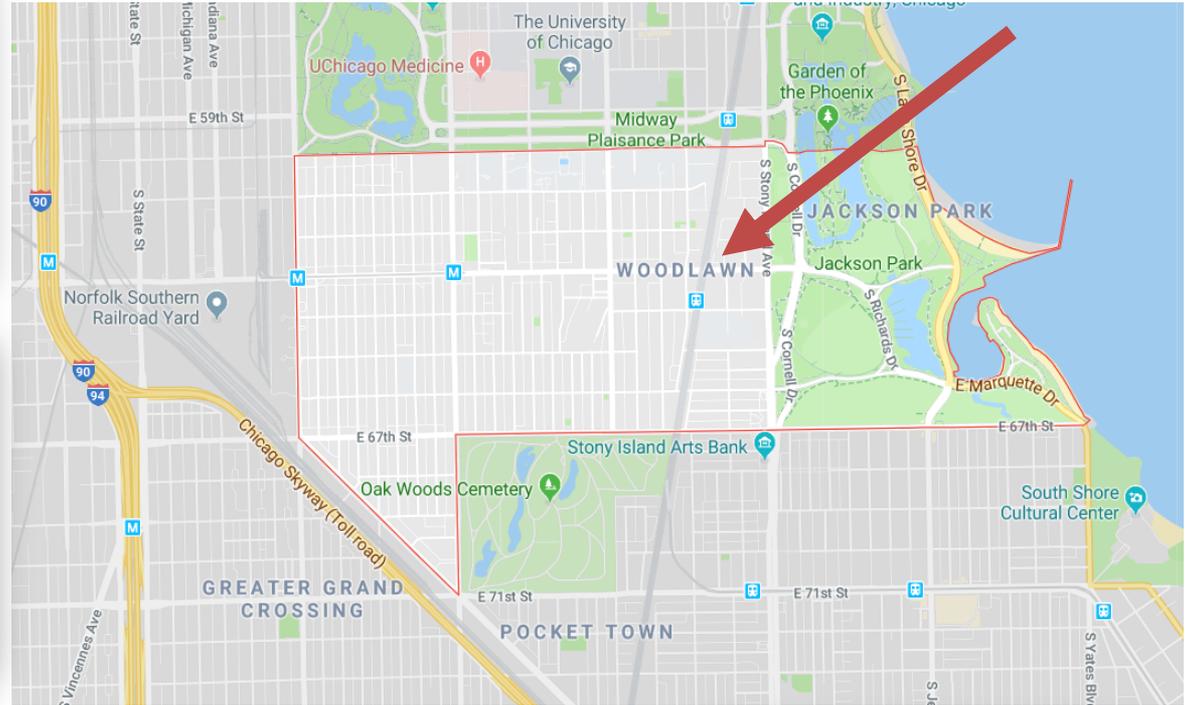
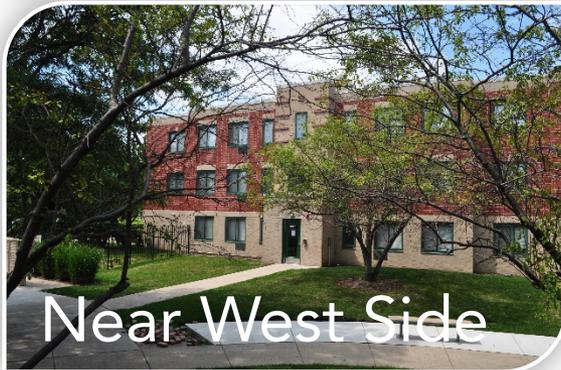
- a youth center
- grocery store
- improved transit stop
- retail tenants



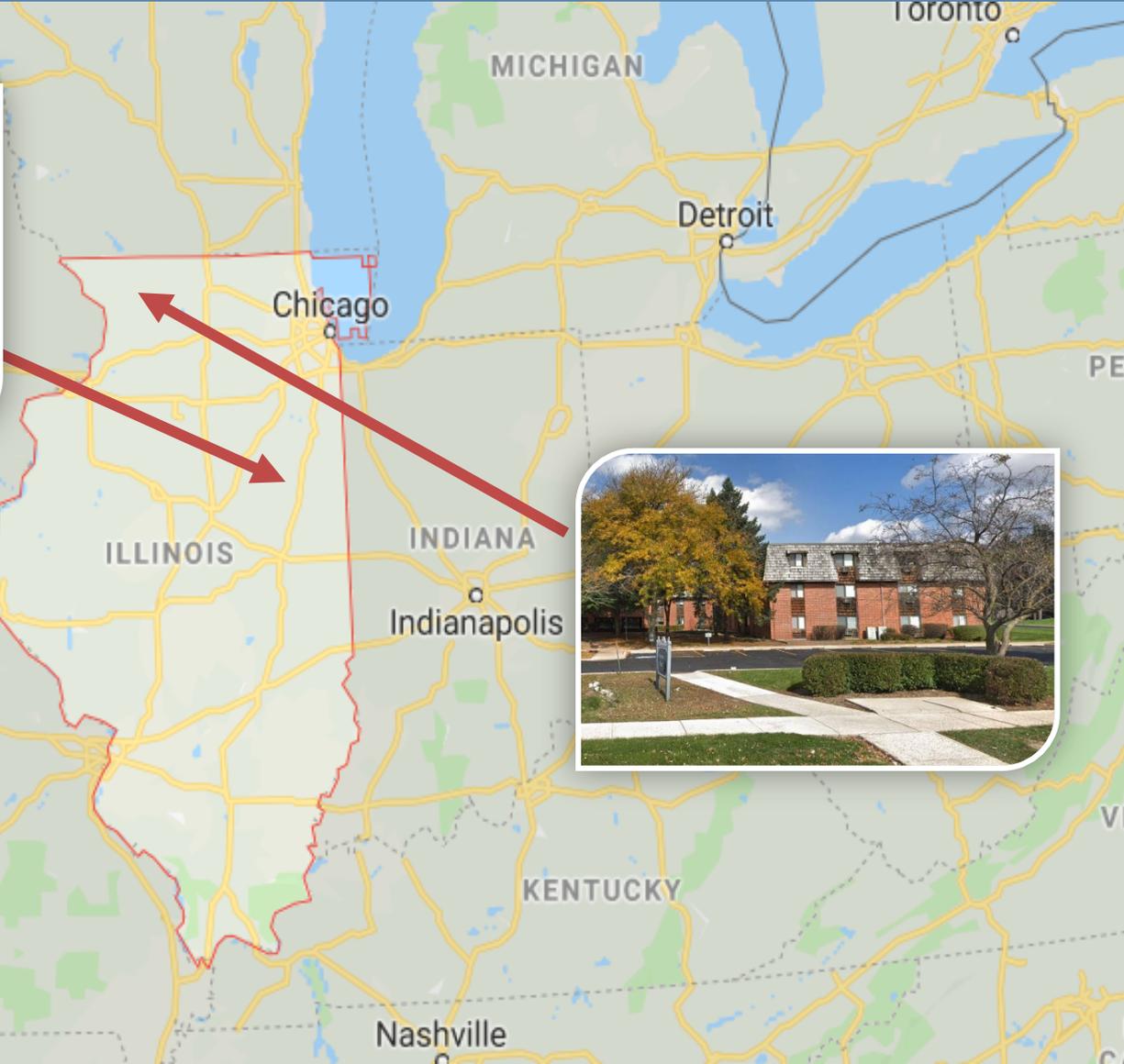
Illinois housing units acquired/closed since 2008



We started in Woodlawn, then expanded to other Chicago neighborhoods



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.



Cincinnati



- 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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