

FOR IMMEDIATE RELEASE

FINANCING CLOSES ON HISTORIC CHICAGO SRO
THE MARK TWAIN RENOVATIONS WILL PRESERVE 148 UNITS OF AFFORDABLE HOUSING
The NHP Foundation preservation effort is part of \$53MM capital investment

February 5, 2019 – Chicago, IL –The NHP Foundation (“NHPF”), a national not-for-profit provider of affordable housing, announced today that it has finalized financing to renovate the 90-year old Mark Twain Hotel, a mixed use Single Room Occupancy (“SRO”) property the organization acquired in 2016.

The property, located at the intersection of North Clark and West Division Streets, will contain 148 studio apartments and seven retail stores once the year long renovation is complete. The property was purchased by The NHP Foundation in 2016 as part of Chicago’s Single-Room Occupancy and Residential Hotel Preservation Ordinance of 2014, which requires sellers to notify the City of their intention to sell and incentivizes them to work with buyers who agree to maintain such properties as affordable housing. The SRO preservation initiative has preserved 11 buildings consisting of approximately 1,500 units to date.

The Mark Twain is located in the 27th Ward whose Alderman, Walter Burnett, Jr., was a champion for this ordinance. Explained Alderman Burnett, “We introduced the ordinance to preserve SRO’s in expensive neighborhoods and ensure that owners would sell to the most qualified owner, not simply the highest bidder. We are seeing the fruits of these labors with projects like The Mark Twain where the property will be beautifully preserved and kept affordable.”

The \$53MM recapitalization is made possible by the Bellwether Enterprise, Chicago Community Loan Fund (CCLF), City of Chicago, ComEd, Enterprise Community Investment, The Chicago Housing Authority, and NHPF through a combination of Tax Exempt Bonds, an FHA 220 Loan, Tax Credit Equity Investments in Low Income Housing and Historic Tax Credits, a Bridge Loan, Project Based Voucher Section 8 Contract, an Energy Grant, and a Sponsor Loan.

Added Victor E. Agusta, Jr., SVP, Bellwether Enterprise, “Partnering with NHPF and the City of Chicago on this project allows Bellwether Enterprise to continue supporting the preservation of Chicago’s greatest strengths – its diverse housing stock, especially in this neighborhood.”

The Mark Twain Hotel was originally built in 1932 as a Residential Hotel. It was added to the National Register of Historic Places in 2017, and is well-located in a mixed use neighborhood that has been experiencing improvements to the immediate area. The building is across from The Sinclair, a new luxury residential tower with a Jewel/Osco supermarket that was completed in 2017. The Red Line station beneath the building underwent a complete \$50MM renovation in September 2015, including installation of elevators and escalators, a new entrance at LaSalle & Division, and a new 8,000 square foot mezzanine.

Added CCLF Lyrecia L. Parks, Vice President of Portfolio Management, “CCLF’s participation in this project furthers our mission of supporting efforts that benefit low income Chicagoans, especially in this increasingly affluent neighborhood, where displacement was a real possibility for Mark Twain residents.”

nhpfoundation.org

NEW YORK, HEADQUARTERS

122 EAST 42ND STREET, SUITE 4900
NEW YORK, NY 10168 • 646.336.4940

WASHINGTON, DC OFFICE

1090 VERMONT AVENUE, NW, SUITE 400
WASHINGTON, DC 20005 • 202.789.5300

CHICAGO OFFICE

150 N. MICHIGAN AVENUE, SUITE 2800
CHICAGO, IL 60601 • 312.216.5103

NHPF's renovation plans call for the addition of private kitchenettes, new elevator, new plumbing and electrical work, a roof deck, making the property handicap accessible, and restoration of the building's vintage facade and common areas. The renovation also calls for a planned upgrade to the building's approximate 9,000 square foot ground floor retail space with several spaces under contract to deliver fast casual food and sale of goods, including the return of Mr. Gyro's, a neighborhood favorite.

"This marks another important milestone in Chicago's efforts to create and preserve affordable housing units for its residents," Chicago Mayor Rahm Emanuel said. "Through its partnerships with the City, the Mark Twain has helped support the diversity, character and affordability of the Near North Side since the 1930s. I want to congratulate NHPF for ensuring this building will fulfill its historic role in the community for many years to come."

Upon completion, the residential units will be income restricted and remain affordable to existing tenants who qualify to return and to future low-income residents. "For our returning residents, their quality of life will greatly improve," according to Richard Burns, CEO of NHPF. "We will deliver durable apartment homes, new community areas, and in-house resident services; all for the long term." Residents of The Mark Twain have been temporarily relocated off-site with all costs being covered by ownership. The property's Resident Services Coordinator remains a resource to residents and is located at NHPF's other SRO property, The Covent, near Clark & Diversey.

The development team includes Weese Langley Weese Architects Ltd., and Linn-Mathes, Inc. Heartland Housing Property Management is the property manager. Construction began immediately after closing and it is expected to be complete by the end of 2019.

###

About The NHP Foundation

Headquartered in New York City with offices in Washington, DC, and Chicago, IL, The NHP Foundation (NHPF) is celebrating its 30th year as a publicly supported 501(c)(3) not-for-profit real estate corporation. NHPF is dedicated to preserving and creating sustainable, service-enriched multifamily housing that is both affordable to low and moderate income families and seniors, and beneficial to their communities. NHPF also provides a robust resident services program to nearly 18,000 community residents. Through partnerships with major financial institutions, the public sector, faith-based initiatives, and other not-for-profit organizations, NHPF has 49 properties in 15 states and the District of Columbia.

About Bellwether Enterprise

Bellwether Enterprise is a national, full-service commercial and multifamily mortgage banking company. As a subsidiary of Enterprise Community Investment, Bellwether Enterprise has production offices across the country and an integrated servicing platform based in Cleveland. With local market expertise, national lending relationships and financing structure experience, we provide clients with competitive, creative solutions for their financing needs. Bellwether Enterprise provides loans for a range of institutional investors including life insurance companies, pension funds, commercial banks and CMBS lenders and is a Fannie Mae Delegated Underwriting and Servicing (DUS®) lender, Freddie Mac Targeted Affordable Housing lender and Program Plus® Seller Servicer, Federal Housing Administration (FHA) approved Multifamily Accelerated Processing (MAP) lender and U.S. Department of Agriculture (USDA) Section 538 Rural Development lender.

About Chicago Community Loan Fund

The mission of the Chicago Community Loan Fund is to provide flexible, affordable and responsible financing and technical assistance for community stabilization and development efforts and initiatives that benefit low- to moderate-income neighborhoods, families and individuals throughout metropolitan Chicago. CCLF was founded in 1991 by a group of visionary social-investment advocates. Their aim was to create a nimble, flexible nonprofit lender who would fill the community development credit gaps as they emerged across the city and region. In particular, CCLF was created to ensure that Chicagoland community developers (including small and emerging groups) would have a lender to turn to for harder-to-underwrite projects and enterprises.

About Enterprise Community Partners

Enterprise Community Partners is a proven and powerful nonprofit that improves communities and people's lives by making well-designed homes affordable. We bring together the nationwide know-how, partners, policy leadership and investments to multiply the impact of local affordable housing development. Over 35 years, Enterprise has created nearly 529,000 homes, invested \$36 billion and touched millions of lives.