FOR IMMEDIATE RELEASE

MARK TWAIN HOTEL TO BE PRESERVED AS AFFORDABLE HOUSING IN CHICAGO’S GOLD COAST HISTORIC DISTRICT
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The NHP Foundation Acquired the Mark Twain Hotel, Helping City Preserve SRO Housing in Accordance with 2014 SRO Preservation Ordinance

June 1, 2016 – Chicago, IL – In keeping with its mission to preserve affordable housing, The NHP Foundation (“NHPF”), a national nonprofit, is the new owner of the Mark Twain Hotel, a mixed use Single Room Occupancy (“SRO”) property located at the interstation of North Clark and West Division Streets. The acquisition was made possible by financial partnerships with Pembrook Capital Management LLC, The Chicago Community Loan Fund, Bellwether Enterprise Real Estate Capital, US Bank, and the City of Chicago Department of Planning and Development. The NHP Foundation will maintain the property as affordable apartments pursuant to Chicago’s new Single-Room Occupancy Preservation Ordinance.

“Since 1932, the Mark Twain Hotel has been a landmark of the Gold Coast neighborhood. The acquisition and future renovation of the property by The NHP Foundation is an incredibly exciting project for all parties involved,” NHPF’s President and CEO Richard Burns, said. “We are proud to be a part of Chicago’s efforts to preserve its affordable housing and we are delighted with the opportunity to significantly improve the property while providing a better quality of life for the residents.”

The Mark Twain Hotel is located at 111 West Division Street. Originally built in 1932, the approximately 58,000 square foot building has 152 SRO units and over 9,000 square feet of retail space on the ground floor. 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. The property is well-located in a mixed use neighborhood and is across from The Sinclair, a residential tower and Jewel/Osco supermarket construction project that will be completed in 2017.

“We are thrilled to see the hard work that we did with the city to pass the SRO Ordinance result in the preservation of the Mark Twain as affordable housing,” said Norman Kaeseberg, a tenant organizer and member of ONE Northside, a local community organization. “This is exactly the type of outcome we were seeking when we were organizing around the ordinance. It’s a victory for the tenants, the city, NHPF, the previous owner, and ONE Northside.”

Bellwether Enterprise Real Estate Capital worked with NHPF to bring debt and equity to the transaction from Pembrook Capital Management LLC, The Chicago Community Loan Fund, and US Bank. Pembrook, a commercial real estate investment manager and balance-sheet lender, primarily funded the property acquisition with a $16.6 million loan. The Chicago Community Loan Fund is the junior lender.
“The Chicago Community Loan Fund was proud to provide financing to the historic and important Mark Twain SRO. The City of Chicago has demonstrated its commitment to preserving SRO properties through a variety of efforts, including the passage of the SRO ordinance in 2014, and CCLF stands with the City and NHP Foundation in helping to preserve one of Chicago’s greatest strengths – its diverse housing stock.” Bob Tucker COO and Executive Vice President of Programs for Chicago Community Loan Fund.

The City of Chicago’s Department of Planning and Development issued the Illinois Affordable Housing Tax Credits (also know as Donations Tax Credits) for the benefit of the project. The tax credits generated were sold to US Bank whose equity was used to acquire the property. As such, the project will remain affordable for a minimum of 10 years.

“As part of its mission to transform lives through affordable, desirable housing, The NHP Foundation is delighted to be part of the solution to a dire housing problem in the City,” said Mecky Adnani, VP of Acquisitions and Development at The NHP Foundation.

“The acquisition of the Mark Twain Hotel, the largest acquisition under the city’s 2014 SRO Preservation Ordinance, is the first important milestone in ensuring that existing tenants will not be displaced,” Ms. Adnani added. “We will now continue our mission to preserve the affordability, to comprehensively rehabilitate, and to fully reposition the Mark Twain in one of the rapidly growing neighborhoods of Chicago. When done, this property will be a transformed, state-of-the-art SRO facility with amenities and a full array of resident services.”

The NHP Foundation is working on the redevelopment phase for the project, with plans to add kitchens to each unit and community space to the property. Construction is anticipated to begin in 2017 with the goal of limiting displacement for existing residents. The property will be included in the National Register’s Proposed Residential Hotels in Chicago, 1900–1930 group designation, which recognizes the accommodation from this era as historically significant. The Mark Twain property is professionally managed by Heartland Housing, a company of the Heartland Alliance.

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**About The NHP Foundation**
Headquartered in New York City with offices in Washington, DC, and Chicago, IL, The NHP Foundation (NHPF) was launched on January 30, 1989, 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 36 properties located in Connecticut, District of Columbia, Florida, Illinois, Louisiana, Maryland, Massachusetts, Missouri, New Jersey, New York, Ohio, Pennsylvania, Tennessee, Texas and Virginia.

**About Pembrook Capital Management, LLC**
Founded in 2006 by Stuart J. Boesky, Pembrook Capital Management invests in and originates commercial real estate debt to finance all parts of a capital structure including first mortgages, mezzanine, bridge loans, note financings, and preferred equity across the United States. The firm invests in most commercial real estate property categories, including multifamily, office, retail and industrial. For more information visit [http://www.pembrookgroup.com/](http://www.pembrookgroup.com/).
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 U.S. Bancorp Community Development Corporation
With $20 billion in managed assets as of March 31, 2016, U.S. Bancorp Community Development Corporation, a subsidiary of U.S. Bank, provides innovative financing solutions for community development projects across the country using state and federally sponsored tax credit programs. USBCDC’s commitments provide capital investment to areas that need it the most and have contributed to the creation of new jobs, the rehabilitation of historic buildings, the construction of needed affordable and market-rate homes, the development of renewable energy facilities, and the generation of commercial economic activity in underserved communities. Visit USBCDC on the web at www.usbank.com/cdc.

About Chicago Community Loan Fund
CCLF is a nonprofit certified community development financial institution that provides low-cost, flexible financing and hands-on technical assistance to community developers for affordable housing, commercial retail development, community facility space and social enterprises. CCLF supports challenging projects that will help revitalize low- and moderate-income neighborhoods throughout metropolitan Chicago, aiding families and communities along the path toward economic stability, prosperity and sustainability.

About Heartland Housing
Across the Heartland Housing portfolio, our property management team creates safe and healthy homes for residents while maintaining the structural and financial health of our portfolio. We strive to build communities within and beyond the walls of our 900 apartments. We build relationships with our supportive service partners to offer residents opportunities to live with dignity while improving their quality of life via one-on-one case management, workshops, training, educational and recreational programs.

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