



801 RESIDENCE

HUD PROJECT BASED SECTION 8



ACQUISITION



PHILADELPHIA, PA



300 UNITS



SENIOR

PROJECT SUMMARY:

Located at 801 Locust Street in downtown Philadelphia, the 300-unit property includes 150 studios, 149 one-bedroom units, and one two-bedroom unit for low-income senior residents. The property, formerly known as American Postal Workers House, was originally built in 1978 and consists of a 13-story building that rests over an acre of land. Onsite amenities include: a community room and community kitchen, computer center, library, laundry facilities, community terrace and solarium. In addition to the residential units, the property has three medical service commercial tenants.

HVPG used a unique financing structure to initially acquire the properties with private equity and later bridge to a tax credit execution to finance the substantial renovation. This allowed HVPG to meet an expedited closing deadline and take over operations and site control prior to tax credit closing.

RESULTS:

- Long-term affordability preserved for decades to come with new 20-year HUD HAP contract and new 30-year tax credit regulatory agreement
- Substantial ~\$20M renovation prioritizing building modernization, energy efficiency upgrades and resident quality of life improvements.
- No displacement of residents

FINANCING AND SUBSIDY:

Bridge debt financing through Red Stone. The next phase of HVPG's preservation plan will be to secure 4% low-income tax credits through the Pennsylvania Housing Finance Agency and tax-exempt bonds through the Philadelphia Authority for Industrial Development.

All 300 units at the site are subject to a HUD Project Based Section 8 contract that ensures residents pay no more than 30% of their income on rent. The new tax credit financing adds income restrictions at the site for an additional 30-year period.



SCOPE OF WORK:

SITE EXTERIOR:

- ADA accessible route
- New property signage
- Parking lot seal & striping, asphalt patching
- Curtain wall refinishing
- Metal roof refinishing

COMMON AREAS/BUILDING:

- New security cameras and intercom system throughout the site with access control to management office and all tenant common areas
- New hallway flooring, painting and LED lighting
- Lobby upgrades: new security desk, wall covering, light fixtures and flooring (proposed art installation)
- Community room upgrades: new flooring, lighting, painting, appliances & cabinetry in common kitchen and bathroom upgrades
- New furniture and finishes for community room, solarium and computer room, new lighting in the laundry room
- Creation of elevated Outdoor Oasis - new paver areas and decking areas, landscape lighting, waterproof membrane, planters, landscaping including new furniture, BBQ area, lawn chairs and TV

UNITS:

- Bathrooms fully renovated with new cabinetry, vanities, sinks, faucets, showerheads, fixtures and lighting
- Kitchens fully renovated with new cabinetry, solid surface countertops, sinks, faucets, oven ranges and refrigerators
- New lighting, painting and flooring throughout units
- Replacement of apartment hot water heaters
- Substantial plumbing upgrades