



# CPP Closes \$25MM Deal to Stabilize Rent, Rehabilitate 81 San Jose Apartments

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With \$55,000 invested in each unit, affordability is preserved for 55 years

IRVINE, CALIF. – Community Preservation Partners (CPP) has closed a \$25 million transaction that will preserve affordability in a region with some of the highest rent increases in the country and bring vast improvements far above the industry standard, the affordable housing rehabilitation company announced today.

Under the agreement, CPP will invest \$4.5 million in the rehabilitation of the 81-unit Courtyard Plaza Apartments, located at 2950 Story Road in San Jose, for a total of \$55,000 per unit. Affordable housing rehabilitation projects usually net a per-unit investment of \$25,000-30,000, according to Karen Buckland, director of community preservation for CPP.

“This project is quite extensive because it entails full interior remodeling and structural exterior improvements as well as solar panel installation, accessibility upgrades and major enhancements to the complex’s common areas,” Buckland said. “Each home will be like new.”

Work at Courtyard Plaza will begin in June and conclude in December. The following is included in the rehabilitation:

- Expanded lounge areas at two pools
- Remodeled community room
- Remodeled manager's office
- New kitchen cabinets
- Flooring installation
- New bath tubs
- New appliances
- New vanities
- Fresh paint
- New siding
- Full stucco replacement
- New windows
- New doors

Nine of the apartments will be upgraded to comply with the Americans With Disabilities Act.

The property was purchased by CPP last fall from a private developer. CPP gained site control after ensuring the seller their ability to move quickly. CPP closed on the existing tax credit property within 60 days, held the project until the 15-year tax credit compliance period expired and recapitalized the deal on May 26, which was financed through bond purchases and tax credits from California's Tax Credit and Debt Limit allocation committees. The construction, renovations, equipment purchases and closing costs total \$10.2 million.

For the next 55 years, each of the 81 apartments must be rented for less than market rates, according to the new regulatory agreement. Additionally, the common areas will be powered by solar energy, which will help reduce utility costs for tenants.

"The San Francisco Bay area has been challenged by soaring rents that have stretched many families so thin that they are forced to leave. At CPP, we are committed to keeping these families in their homes," said Anand Kannan, president of CPP. "The Courtyard Plaza Apartments are another example of our dedication to preserving communities."

It joins six other Bay Area projects to bolster the company's affordable housing portfolio in the region. Other recent local CPP projects include:

- Park Sunset, San Francisco, 30 units
- Northgate Terrace, Oakland, 202 units
- Franco Center, Stockton, 112 units
- Oak Center Apartments, Oakland, 77 units
- Mohr 1 Apartments, Oakland, 126 units

#### **About Community Preservation Partners**

CPP is an affordable housing rehabilitation company that owns more than 4,000 units across the United States. Its

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mission is to enrich lives and strengthen neighborhoods by recapitalizing, rehabilitating and preserving aging affordable housing communities. CPP provides simple, practical solutions to complex challenges facing housing authorities, nonprofits and investors. For more information visit [www.CPP-Housing.com](http://www.CPP-Housing.com) or call Jack Aronson, Director of Development Acquisitions, at (415) 746-0666.