



CPP Begins Renovation on 205 Affordable New Mexico Homes

by Anca Gagiuc

Irvine, Calif.—Continuing its path on the affordability road, [Community Preservation Partners](#) announced the start of renovations on six [affordable housing](#) communities owned by Western States Housing Corp. in New Mexico. The deal closed in April and renovations will continue until December, CPP announced in a prepared statement.

Western States Housing acquired the six properties, the oldest dating back to 1991—five located in Sunland Park, N.M., and one in Anthony, N.M.—for \$8 million. In addition, \$6.1 million needed to cover construction costs and more than \$1.1 million in cash reserves are being funded

with bonds and tax credit equity. The consistent reserve funding is a requirement from the [U.S. Department of Agriculture](#), the entity with jurisdiction over affordable rural development projects. WNC & Associates, CPP's parent company, is a limited partner underwriting the equity. The total rehabilitation cost, including soft costs for purchase of equipment, exceeds \$19 million.

“This is our third transaction with Western States Housing, and we are thrilled to be working with them again to bring all of these positive changes to the working people of southern New Mexico,” said Karen Buckland, director of community preservation for CPP. “It’s through partnerships like these that we can really improve lives and make a difference in the community.”



Anand Kannan, President, CPP

The public-private partnership also includes the [New Mexico Mortgage Financing Authority \(MFA\)](#); through the partnership, tax incentives will keep residents in the 205 homes paying below-market rents for the next 30 years.

“These investments are critical for the community in southern New Mexico,” said Anand Kannan, president of CPP. “Without them, not only would the properties continue to age, but the existing agreements with the MFA would have expired, forcing the rents up to market price.”

Under the new agreement, all six properties will receive significant renovations, including installation of Energy Star and low-flow appliances, HVAC systems, weatherization improvements, accessibility upgrades, including ramps and paths of travel that comply with the Americans with Disabilities Act.

Image courtesy of CPP