

Stimson and Graves HLP



Stimson and Graves HLP History

- Developed by HVT and Revitalizing Waterbury a community partner in 1992
- Cathedral Square served as the Property Management Company through 2008.
- CVCLT took over PM on 1/1/09
- 15- year tax credit period in December 2008
- 14 units of Senior housing with two commercial spaces in historic building in downtown Waterbury

Stimson and Graves HLP Today

- 2008 small cash gain, 2007 small cash loss (not including depreciation or deferred interest)
- 2009 will have small cash gain
- 2010 looks better due to fuel costs savings and energy efficiency upgrades
- No vacancy or marketing issues

Stimson and Graves HLP Today

- Immediate need for capital is for energy upgrades to the building envelope and a new roof. Energy upgrades will allow project to cash flow until resyndication in 2-3 years
- Interior condition is adequate but will need repair in 2-3 years
- Residents are all low income (under 60%) seniors, nine units have project based subsidies

Stimson and Graves HLP Today

- Project is highly visible in downtown Waterbury. Source of community pride
- Non profit owners/managers working to increase services to seniors
- Collaborations with senior center and other services providers improve appeal of project to senior residents and seniors in larger community

Stimson and Graves HLP Planning YR 15

- Cathedral Square opted out on providing PM services, out of service area – CVCLT takes over 1/1/09
- Revitalizing Waterbury offered to step out and be replaced by CVCLT as co-general partner with HVT (will happen by end of 2009)
- HVT and CVCLT begin decision process in January 2009

Stimson and Graves HLP Planning Year 15

- Cathedral Square provided a thorough analysis of property short and long-term needs Highlights include...
 - Capital for energy upgrades and roof highest need
 - Operating budget challenge needs to be addressed through energy upgrades
 - No hard debt
 - Commercial space used by senior center is not covering true costs
 - No on-site parking – long term lease of spaces in place

Stimson and Graves HLP Planning Year 15

- Energy upgrades and roof to happen by year end. Using energy funds and some replacement reserves
- Considering purchase of 12 unit senior project close by with HUD contract expiring in 2010.
Merge with SG yes/no?
- Likely will pursue 4% tax credits to complete capital improvements beyond energy and roof.

Stimson and Graves HLP Closing Thoughts

- CVCLT sees SG as an opportunity to increase our presence in an important community in our service area
- No hard debt and opportunities to obtain capital are key to keeping CVCLT involved
- Opportunity to gain efficiencies in property management with addition of SG was helpful.
- Only downside is likely not being able to merge with other property to gain efficiencies in workload and operating budget