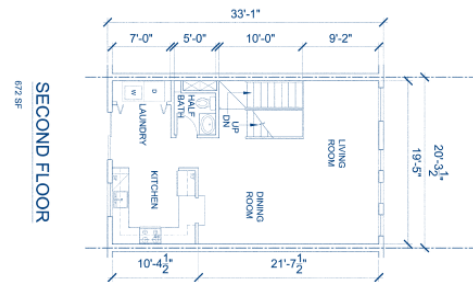
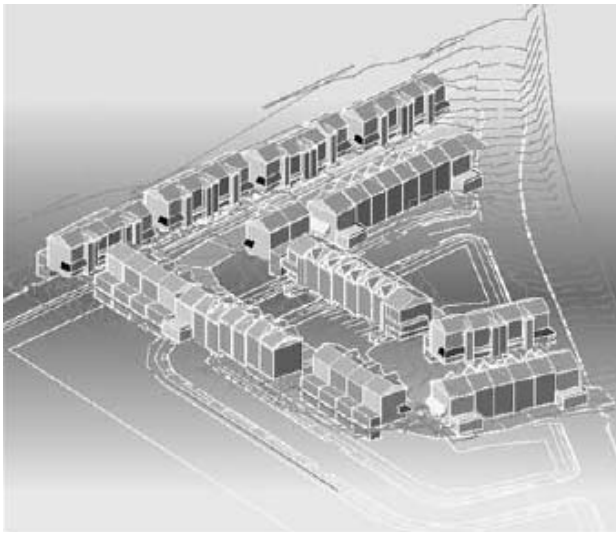




4TH STREET VISTAS FOR-SALE WORKFORCE HOUSING CONGRESS HEIGHTS (SOUTHEAST D.C.)

Project Description



This project consists of 94 townhouse and stacked townhouse units in the southeast section of Washington, DC. The site is part of a low-income area (Congress Heights) that has seen significant change and upgrade in both housing and community facilities in recent years. These for-sale units will be priced to be afforded by households with incomes of approximately \$45,000 to \$80,000 per year.

Local/ Regional Market Context

The Washington, D.C. metro area has high median incomes and very high housing prices. The District of Columbia, however, has median incomes well below the MSA yet housing prices even in historically "less-desirable" locations are often beyond the reach of households with household incomes above the District's AMI. There is substantial pent-up demand for market-quality homes among working households in areas that are experiencing revitalization, such as Congress Heights. UniDev's market studies indicate that the proposed houses will be priced at about 75% to 80% of the value of houses selling on traditional market terms. After a brief pre-development marketing program, UniDev has generated a contact list of over 350 prospective buyers and information forms with buyer demographics from approximately 200. UniDev's preferred mortgage lender for the project has already pre-qualified a number of potential prospects for buyer financing.

Financing Arrangement

UniDev has pioneered a novel financing technique utilizing New Markets Tax Credits to bring inexpensive capital into the project, allowing selling prices well below actual capital costs. Although UniDev had to pay market value to acquire the land the company was able to increase the density of the land plan to bring down the average land cost per unit. The project also benefits from an AHP (Affordable Housing Program) loan/grant from the Federal Home Loan Bank of Atlanta, and a linkage payment from a D.C. commercial developer. UniDev closed on the purchase of the land in September 2007 using its NMTC-based project financing structure.

Site and Building Design Considerations

The site had been partially developed for 52 side-by-side or duplex units (26 buildings), which costs the property owner needed to recoup in selling the property in its partially developed condition. The circulation street, water and sewer mains, and certain electrical facilities will remain with significant changes: Among other things, UniDev will modify curb cuts, off-street parking, site lighting and other utilities. The site falls significantly north to south and the topography facilitates the use of stacked townhouse units, with two stories both up and down from the center (street level) entrance. All the buildings will be wood frame construction. Some units will have garages.

Project Implementation and Administration

UniDev created a special purpose owner/developer entity to undertake the development project but is providing services to that development entity, serving as its Owner's Representative. A UniDev affiliate will serve as managing member of the special purpose entity, created as a single-purpose limited liability company. Harkins Construction, a highly regarded Washington area general contractor, will build the project. Architects, engineers and other consultants are locally based, and many have the "LSDBE" designation.

Role of Local Agencies

The original loan to acquire the property used DC funds for part of the loan under the SAFI program. UniDev repaid that loan out of the NMTC-based land acquisition financing. A new DC quasi-governmental entity may provide a supplemental construction loan as financing above that included in the NMTC financing. The DC City Council and Deputy Mayor's office are facilitating the entitlement process, and they have also facilitated the identification of District of Columbia and DCPS employees as prioritized homebuyers for this project.

Contact Information

Developer: 4th Street Vistas, LLC
Client: UniDev LLC
Contact: Jim Edmondson, President
UniDev, LLC, 301.656.7742