

Jonathan Rose Companies Acquires Pasatiempo Apartments

The acquisition of the mixed-income, senior Section 8 property in Fremont, CA, is the latest transaction to close into the Rose Affordable Housing Preservation Fund V



Fremont, CA (March 14, 2022)—Jonathan Rose Companies is pleased to announce the acquisition of Pasatiempo Apartments, the tenth deal to close into the Rose Affordable Housing Preservation Fund V. Pasatiempo Apartments is a 94-unit mixed income, senior Section 8 property located in Fremont, CA (in the East Bay, between Oakland and San Jose). The Fund has partnered with Wakeland Housing Development Corporation to acquire the Property for \$30 million. The acquisition was financed with a \$17,650,000 loan originated by Citi Community Capital. The Fund intends to commence a substantial renovation of the community later this year. Rose Community Management, Jonathan Rose Companies' property management affiliate, took over management of Pasatiempo Apartments at closing.

"This acquisition was made possible through collaboration across all of our practice groups including our property management, social impact, environmental impact, and design and construction teams, as well as many others," said Max Jawer, Director of Acquisitions at Jonathan Rose Companies. "We have a lot of work ahead of us in the coming months and are excited to help preserve this community as vital affordable housing for the long term."

The property consists of two residential buildings and one clubhouse building. The unit mix includes 93 one-bedrooms and one two-bedroom manager unit. Of the 94 units, 59 are covered under a project-based Section 8 HAP contract, with the remainder being market rate. As part of the Fund's mission-driven business plan, it is restricting 100% of the units (including the formerly market rate units) to 80% AMI through a new affordability covenant recorded at closing. Because the existing HAP contract has only one year of term remaining, the entire property was at risk of becoming fully market rate. Instead, all units will become fully rent and income-restricted for at least 20 years.

The clubhouse is equipped with meeting rooms and a large community room. As part of the planned renovation, the Fund plans to convert unprogrammed meeting rooms into a computer lab, fitness center, and activated community space. Moreover, Rose will be hiring a full time Resident Services Coordinator as part of its Communities of Opportunity initiative, which seeks to enrich its communities through health, social services, education, and recreation programming.

In addition to upgrading the clubhouse, the planned renovation scope will include in-unit improvements, the replacement of aging building systems, and steep reductions in carbon and water intensity that will enable the property to certify under the GreenPoint Rated (“GPR”) program.

“We are thrilled about the opportunity to preserve affordable housing in one of the most rent-burdened housing markets in the country, while also meeting our mission to green our buildings and enrich our communities with social services,” said Nathan D. Taft, Senior Managing Director and partner at Jonathan Rose Companies.

About Jonathan Rose Companies

Jonathan Rose Companies is one of the country’s leading developers and investors in sustainable, affordable, and mixed-income multifamily real estate, with approximately 18,000 units owned. Founded in 1989, Jonathan Rose Companies is a mission-driven company focused on enhancing the health and wellness of its residents with green, energy efficient property improvements and through its Communities of Opportunities programming. With offices in New York, Connecticut, Colorado, Ohio and California, Jonathan Rose Companies has developed or acquired more than \$3.2 billion of real estate. For more information, please visit: <https://www.rosecompanies.com/>