



Jonathan Rose Companies

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ROSE FUND INVESTS IN AFFORDABLE HOUSING PRESERVATION IN PRIME CHICAGO LOCATIONS

Two Back-to-Back Chicago Transactions Prove Significant in Preserving and Greening Affordable Housing in Gentrifying Urban Neighborhoods

(Chicago, IL – September 27, 2016)- The Rose Affordable Housing Preservation Fund (the “Fund”) of Jonathan Rose Companies, a leading green real estate investment, development and project management firm, has recently acquired two Chicago properties in prime locations. As part of its ongoing mission to preserve mixed-income multifamily housing and promote green, healthy living in urban neighborhoods nationwide, Jonathan Rose Companies has teamed up with two highly-esteemed local partners: Ansonia Properties, LLC to acquire 2101 S. Michigan in the South Loop, and Prairie Management and Development to acquire Belmont Towers in the Lakeview neighborhood on Chicago’s north side.

This week, Ansonia and Rose closed on the acquisition of 2101 S. Michigan, a 250-unit mixed-income, mixed use property in the South Loop section of the city. The 26-story tower, which was sold by a local investment group, contains 90 units of project-based Section 8, 93 units with enhanced vouchers and 67 market-rate units. The property, which is currently 97% occupied, consists of 25 studios, 125 one-bedrooms, 75 two-bedrooms, 25 three-bedrooms and has 156 income-generating parking spaces. The building began a transition from 100% affordable to a mixed-income residential building five years ago and completed a significant renovation in July 2014. Together, Ansonia and Rose will make additional investments in common area amenities, reposition the retail with an eye to bringing life-style enhancing tenants to the 4,226 square-foot ground-floor retail space, and make other capital investments to green the building and comply with the Enterprise Green Communities Criteria.

“This is an excellent opportunity to preserve affordable housing in a central location while capitalizing on market rate forces driving the growing popularity of the South Loop community,” said Nathan D. Taft, Director of Acquisitions, Jonathan Rose Companies. Robert A. Kaplan, principal of Ansonia Properties added: “With the new McCormick Place Events Center across the street, the Cermak-McCormick Place stop just a short walk away, and other private investment in housing and retail, we felt like 2101 was a prime opportunity to preserve affordable housing and promote a vibrant, mixed-income community conveniently located on transit.”

Similarly, Rose partnered with another notable housing organization, Prairie Management and Development, to acquire Belmont Tower Apartments, a 200,000-square-foot, 24-story, 277-unit residential tower, located in the Lakeview neighborhood, for \$61.5 million. Rose and Prairie originally acquired the property in November 2015, but closed this month on a new HUD loan that will enable the partners to complete more than \$8 million of capital improvements to the property. In addition to addressing building systems, the work will include in-unit renovations and a complete re-imagining of the common area amenities of the building. All work will be done to Enterprise Green Communities standards, and emphasize resident health and wellness.

“We were particularly pleased to partner with Prairie to acquire Belmont, especially since the expiration of the HUD Section 8 contract was set to happen within a year. This property, situated in a strong and gentrifying neighborhood, was at risk of going to market,” said Mr. Taft. Upon acquisition, Prairie and Rose extended the HUD Section 8 contract, which covers 55% of the units, for an additional 20 years.

“We are grateful to HUD and other community stakeholders who have helped to support our work,” said Tony Augustine of Prairie Management and Development. Mr. Augustine added: “Belmont is one of the last remaining affordable properties in the Lakeview neighborhood, and together with Rose, we are going to breathe new life into the asset and present the market with a green, energy efficient building, redesigned common areas, updated unit finishes and great views of the city.”

Mr. Taft added, “Belmont and 2101 are located in some of the most vibrant Chicago neighborhoods, where affordable housing is becoming constrained, and we will continue to seek other preservation investment opportunities like this in Chicago and in other markets nationally.”

Rose and its affiliates are slated to own 14,000 affordable and mixed-income housing units by the end of 2016.

About Jonathan Rose Companies LLC:

Jonathan Rose Companies, Inc. is an award-winning real estate investment, development and project management firm whose mission is to repair the fabric of communities. The firm is nationally recognized for its ability to achieve visionary goals through practical, duplicable strategies. The firm acquires, develops, and acts as a consultant to assist not for profits with transit-oriented, green, mixed-income residential, innovative office, civic, education and health serving projects. Jonathan Rose Companies has developed more than \$1.8 billion of real estate projects from offices in New York, Connecticut, Colorado, the Pacific Northwest and New Mexico. For more information, visit www.rosecompanies.com.

About Rose Affordable Housing Preservation Fund:

The Rose Affordable Housing Preservation Fund acquires and preserves existing affordable, mixed-income and workforce family housing in high-demand markets across the U.S.

About Ansonia Properties, LLC

Ansonia Properties, LLC acquires, develops and manages multifamily and commercial real estate, with a particular focus on repositioning under-utilized assets in transit-oriented urban infill locations. The Chicago-based firm has deep expertise in multifamily housing, and employs a range of innovative strategies create value in market rate, mixed-income and affordable properties. Ansonia and its affiliates have acquired, developed and managed real estate valued at more than \$600 million. For more information, visit www.ansoniaproperties.com.

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