



Outside the Region: Community Development Trust/Southport Financial Services JV acquire LIHTC properties: 484 units

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Lemoore, CA The Community Development Trust (CDT) has entered into a new \$37 million joint venture with Southport Financial Services Inc. to purchase and improve five apartment complexes in California's Central Valley that comprise a total of 484 units.

The investment will expand their joint portfolio to nearly 900 units, consisting of:

Alderwood Apartment, an 80-unit apartment complex;
Maplewood Apartments in Fresno, a 100-unit apartment complex;
Mountain View Apartments in Porterville, a 60-unit apartment complex;
Pineview Apartments in Bakersfield, a 110-unit apartment complex; and
The Meadows Apartments in Bakersfield, a 100-unit apartment complex.

The properties acquired in the CDT-Southport partnership, all of which serve low- and very low-income residents in tight rental markets, will continue to rent to residents at 50-60% of area median rent/income levels through 2050.

“CDT’s investment with Southport is a ‘win-win’ for both organizations that reflects our mission of preserving affordable housing opportunities for low-income families,” said CDT senior VP and head of acquisitions Michael Lear. “The partnership is part of our larger commitment to ensure long-term access to quality, safe and affordable housing in California and throughout the country.”

Southport is a longtime CDT operating partner with over 16,000 units of affordable housing under ownership throughout the West Coast, Midwest and East Coast.

This announcement is the latest in CDT-Southport acquisitions spanning 14 years and nine completed transactions. The two companies most recently combined on a \$16 million joint venture in 2017 to purchase three affordable California housing apartment complexes, in Kings County, San Bernardino County and Yuba County.

CDT and Southport’s new joint venture is highlighted by a capital plan allocating \$6 million toward capital improvements and reserves. They will preserve and maintain the properties in conjunction

with Trillium Housing Services, a nonprofit housing and service provider that CDT and Southport have partnered with on previous California joint ventures.

“We were particularly attracted to this portfolio because it provides both our teams with the ability to create long-term stability for families and senior citizens in an area of the state where affordable units represent a critical unmet need,” said Paul Fortino, senior VP of Southport Financial Services.

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