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STEELE PROPERTIES CLOSES TWO PROPERTY ACQUISITIONS IN TEXAS AND COLORADO AND WILL PROVIDE SIGNIFICANT RENOVATIONS TO THE AFFORDABLE HOUSING COMMUNITIES THROUGH THE LOW INCOME HOUSING TAX CREDIT PROGRAM

Closings occurred on December 29, 2015, preserving two vital affordable housing communities; needed rehabilitations will greatly improve quality of life for residents

DECEMBER 29, 2015 – DENVER, CO: Steele Properties is proud to announce the acquisition and preservation of two properties: Burlington Manor in Burlington, CO and Georgetown Square in Georgetown, TX. The closings kick off large scale property renovations at each community to begin early in the new year. The combined total development cost exceeds \$14 million – an investment that will significantly improve the quality of life for the hundreds of residents who call the communities “home.”

First, Burlington Manor is a 54-unit Project Based Section 8 community serving low income families in eastern Colorado. The project was awarded a competitive allocation of 9% Low Income Housing Tax Credits (LIHTC) from the Colorado Housing and Finance Authority (CHFA) in July of 2015, which resulted in over \$4.2 million of invested tax credit equity from PNC Bank to support the redevelopment. PNC also originated a \$1.7 million Fannie Mae Permanent Loan to support the acquisition and renovation.

The transaction will result in approximately \$3 million in property improvements. Steele will make significant interior upgrades to the community including updated kitchens and bathrooms, installation of A/C units as well as add new amenities including a playground, upgraded management office, and a building expansion to include a community center, fitness facility, computer lab, and expanded resident laundry room. A major focus of the rehabilitation will include energy efficiency and ADA compliance upgrades.

Steele also closed the acquisition of Georgetown Square, a 55-unit Project Based Section 8 family community just outside of Austin. Steele was awarded LIHTC from the Texas Department of Housing and Community Affairs (TDHCA), resulting in approximately \$4.7 million of invested tax credit equity from PNC Bank to support the project. PNC also originated a \$3.5 million Fannie Mae Permanent Loan to support the project. The City of Georgetown is supporting the project as well with a \$450,000 loan.

The transaction will result in a \$2.5 million renovation of the community. The rehabilitation will feature interior and exterior upgrades including updated kitchens and bathrooms, all new Energy Star rated HVAC systems, LED lighting to improve visibility and a new playground area. A covered pavilion with grills and picnic tables will also be added to the property. A new community building will be installed and will feature a community gathering space with kitchen, new management office, laundry facility



and a computer lab with Wi-Fi. Handicap accessible ramps and sidewalks will be installed and several units will be converted to accessible units to bring the community up to ADA compliance standards.

“We are very pleased to add these transactions to the growing number of successful projects we’ve completed with our longtime financing partner, PNC Bank. PNC has invested debt and equity in several of our redevelopments, and we are excited to continue our shared commitment to improve and preserve affordable housing opportunities across the country with them,” said Chad Asarch, a principal owner of Steele. “We are also grateful to CHFA and TDHCA for providing the opportunity to improve these important and needed affordable housing communities through the Low Income Housing Tax Credit Program. We value our partnerships with LIHTC allocating agencies, as they play an essential role in our mission of affordable housing preservation. We also are grateful for our new partnership with the City of Georgetown and for their participation in the improvement of Georgetown Square. We are eager to begin the renovations at both properties early in the new year, and to furthering our track record of providing high quality and affordable housing opportunities for families and individuals with limited means.”

Burlington Manor and Georgetown Square are managed by Monroe Group, Ltd., a leading property management company specializing in affordable multi-family and senior/disabled housing that manages a portfolio of 35 multi-unit properties totaling over 3,200 units.

Steele Properties, LLC. is a national real estate investment company specializing in the acquisition, rehabilitation and new construction of affordable multi-family rental properties. The company’s mission is to preserve, improve, and increase affordable housing opportunities for vulnerable communities across the country. Steele has successfully completed approximately \$500 million in acquisitions, sales and development activity involving 41 properties and over 4,500 units, including 28 tax credit developments.

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