



September 22, 2022

**RE: Union Place Apartments, Missoula, Montana**

To All Interested Persons:

Union Place Apartments, LLC, in partnership with Hearthstone Union Place, LLC, a Montana limited liability company, which is fully owned and controlled by Hearthstone Group, a Washington non-profit corporation specializing in preservation and development of affordable housing, is proposing to rehabilitate the following low-income multifamily rental housing complex located at the following address in Missoula, Montana:

<u>Project Name</u>	<u>Address</u>	<u>Number of units</u>
Union Place Apartments	2500 Great Northern Avenue Missoula, MT 59808	63

The rehabilitation of the project is planned to be financed, in part, by the issuance of tax exempt bonds and 4% low-income housing tax credits through the Montana Board of Housing, and the parties are requesting \$5,500,000.00 in housing tax credits.

The project plans to apply for the exemption from real property taxes available to qualifying low-income housing tax credit projects under Montana Code Annotated Section 15-6-221. As part of the statutory requirements for this exemption, there must be an opportunity to comment on whether this low-income rental housing project meets a community housing need. No vote or action on behalf of the local agency is required in relation to this opportunity for public comment. Please see attached Executive Summary for additional project information.

Do not hesitate to contact me if you have any questions or you need any further information. Thank you.

Very Truly Yours,  
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**Union Place Apartments  
Executive Summary**

**Property Description**

Union Place Apartments is located at 2500 Great Northern Ave. Missoula, MT 59808. The property consists of 36 two-bedroom units and 27 three-bedroom units (63 units total) across 6 residential buildings. Property amenities include a clubhouse/community room, playground, picnic area and an on-site manager. Unit amenities include balconies/patios, blinds, central heating and air conditioning, ceiling fans, walk-in closets and in-unit washer/dryer connections. Kitchen appliances include a garbage disposal, oven/stove, refrigerator, and dishwasher.

Union Place Apartments was originally built in two phases in 2005 and 2007. The property is currently income and rent restricted by regulatory agreements with the Montana Board of Housing for a total of 30 years from the initial construction.

DevCo will seek a new issuance of tax-exempt bonds and 4% LIHTCs through the Montana Board of Housing and will extend the affordability commitments. 4 units will be restricted at 40% of AMI, 48 units will be restricted at 50% of AMI and 11 units will be restricted at 60% of AMI.



**Management**

The property will be managed by Alliance Property Management. The company was established in 2002 and oversees 115 properties across Montana consisting of 417, of which 256 are LIHTC.

### **Planned Renovations**

In connection with the new issuance of tax-exempt bonds and 4% credits extensive renovations are planned to be completed at the property. The current budget includes approximately \$40,000 in hard costs per unit. A summary of major scope items is below:

- Cementitious siding repairs
- Exterior paint
- New windows
- Parking lot seal coat and restripe
- Concrete Path of Travel, sidewalk and Curb Repair
- ADA Unit reconfiguration
- Trash enclosure reconfiguration/ADA
- Mailbox Location reconfiguration/ADA
- Reconfigure one of the large bike storage areas into a maintenance shop
- Convert all lighting to LED

### **DevCo Mission Statement**

DevCo Preservation uses its extensive experience in the management, construction and financing of affordable housing to revitalize existing properties and build long lasting communities. By planning extensive renovations and making long-term affordability commitments DevCo Preservation provides quality, affordable housing in growing markets where it is needed most.