

----- FOR IMMEDIATE RELEASE -----

REACH Community Development, Condo.Fund, and SVN Imbrie Realty Pioneer a Model to Preserve Affordable Housing Assets with Private Capital.

Portland, OR – [December 1st, 2024] – SVN Imbrie Realty LLC [part of SVN International Corp, a top ten global commercial real estate services organization] is pleased to announce the successful closing of Laurelhurst Apartments in Portland, Oregon. Bjorn Beer, Vice President at SVN, represented both REACH Community Development [seller] and Condo.Fund [buyer] in a partnership that pioneers a new model to preserve affordable housing assets without relying on public funds.

REACH has operated the Laurelhurst Apartments, built in 1917, as affordable rental housing for nearly 40 years. As the nonprofit looked for a long-term strategy to preserve affordability and make needed capital repairs, Condo.Fund’s innovative model stood out as a solution.

Condo.Fund plans for current renters to become homeowners for only slightly higher monthly cost than their current rents. No public preservation funds will be needed beyond home ownership assistance programs. This unique business model relies on syndicated private investment capital from smaller investors and community stakeholders. Scaled nationally, this model addresses the affordable housing crisis by preserving the nation’s current stock of affordable housing, which often takes a back seat to funding for new construction. Condo.Fund’s model bridges this widening preservation funding gap.

REACH, a mission-driven affordable housing provider in the Portland metro area, has long been committed to creating equitable access to quality, affordable homes. By partnering with Condo.Fund, REACH continues to uphold its mission while exploring innovative strategies to preserve housing affordability. REACH chose to work with Condo.Fund to keep these units affordable for residents at or below 80% of the Area Median Income [AMI]. This partnership aligns with REACH’s goal of ensuring housing stability for lower-income individuals and families, while offering them the opportunity to build wealth through homeownership.

“When we evaluated the dozens of offers from market-rate buyers, it was clear that Condo.Fund would be the best steward of the Laurelhurst Apartments. At REACH, we are always looking for innovative ways to preserve and expand affordable housing opportunities, especially in today’s challenging market,” said Margaret Salazar, CEO of REACH. “Condo.Fund’s model stood out because it allows us to prioritize the stability and future of our residents by offering them a path to homeownership while maintaining affordability. This partnership aligns perfectly with our mission and ensures that we are not just protecting affordable housing but giving residents the chance to build lasting wealth.

By leveraging private capital in this way, we’ve set a new standard for how affordable housing can be preserved in communities.” John Laine, founder of Condo.Fund, added “We are thrilled to partner with REACH in the tenant transition from renters to homeowners. Our ‘affordable condo-ization’ model means that



expiring affordable housing assets aren't sold off to investors who will double or even triple rents. Instead, our model empowers residents to buy their own units at various AMI thresholds. Even after remodeling and modernizing the units, our investors make 1.25 to 1.5x equity multiple on an 18-month horizon, sometimes better. The Laurelhurst Apartments will demonstrate once again that 'compassionate capitalism' is the model for preservation of affordable housing assets."

Current tenants will have priority to own their own units, after which point affordable condo units will be offered to residents in the wider REACH portfolio before being offered to those in the general public who are at or below 80% of AMI. Condo.Fund will convert the savings on condo broker fees into \$2,500 per unit donations to REACH every time a REACH resident buys a unit.

After closing Bjorn Beer added "This could have been a difficult deal, but both parties kept their eye on the ultimate common mission. We didn't just close a transaction, we pioneered a strategic partnership and arrived at a creative solution to address the housing affordability crisis, while prioritizing the needs of the current residents of Laurelhurst Apartments. Many in this ecosystem told me this idea is not possible, but REACH and Condo.Fund are proving the naysayers wrong. Dozens of families will benefit."

FOR MORE INFORMATION:

About Reach CDC - REACH creates opportunities for all people to thrive by developing and promoting equitable access to quality, affordable homes, supportive services, and community. Since 1982, REACH has built innovative and affordable homes serving lower-income families and individuals in the Portland metropolitan region. More information about REACH and its programs is available at <https://reachcdc.org> Press Contact: Lauren Schmidt | Public Relations Manager | LSchmidt@reachcdc.org | 971-277-7186

About Condo.Fund - At Condo.Fund, we're not just transforming properties; we're revolutionizing the path to homeownership through what we call "Compassionate Capitalism." Our blueprint addresses the affordable housing crisis by converting multi-family buildings into condominiums, empowering renters to transition into homeowners. We've solved the down payment dilemma with our innovative approach that allows residents to apply a portion of their rent as a substantial down payment credit, making ownership accessible without the financial strain. By focusing on affordability and community, Condo.Fund creates sustainable wealth-building opportunities, proving that financial success and social impact can go hand in hand. <https://condo.fund>

About Bjorn Beer - Bjorn Beer is an apartment broker and investor with a previous background in strategic partnerships for software firms. SVN[®] is a globally recognized top ten commercial real estate services organization with a shared vision of creating value with clients, colleagues, and communities. SVN[®] is comprised of over 2,000 Advisors and staff including more than 200 office owner/operators across the globe. For more information, visit www.svn.com. All SVN offices are independently owned and operated. For more details, reach out to Bjorn Beer, Vice President at SVN Imbrie Realty. bjorn.beer@svn.com | 541-745-4050

