



Urban Housing Ventures Announces Closing of its First Fund in Partnership with Microsoft, Washington Federal, Washington Trust Bank, and Stream Real Estate, and Financing Provided by Berkadia and Freddie Mac

Fund will provide Middle Income Housing Opportunities in the Seattle Region

Seattle, WA – November 19, 2020 – Urban Housing Ventures (“UHV”), a fund with an innovative approach to addressing the affordable housing crisis, announced the closing of its first fund in partnership with Microsoft, Washington Federal, Washington Trust, and Stream Real Estate, and financing provided by Berkadia and Freddie Mac.

The organizations partnered to create a fund that enables investors to buy existing, market-rate apartments, then lower up to 40% of the units to middle-income levels, without losing long-term financial viability for investors. The new model accelerates the availability of affordable housing to middle-income earners like teachers and nurses.

Urban Housing Venture’s Fund I acquired three Class A multifamily communities with 335 units in Bellevue and Kirkland, WA. UHV is converting 40% of the acquired units to middle-income affordable housing targeting individuals and families earning 60-80% of Area Median Income.

“The Puget Sound region hasn’t built enough housing for the people who live here, including many who are on the front lines of our community’s response to COVID-19,” said Brad Smith, President of Microsoft. “We need fresh, creative approaches like this one to quickly bring new private sector financing and funding to address the affordable housing crisis – in our home state of Washington and nationwide.”

“Through self-imposed rental restrictions we are helping ensure that affordable housing is not only preserved but created,” said Debby Jenkins, Executive Vice President and Head of Multifamily at Freddie Mac. “Our \$325 million commitment will supply debt financing that drives the conversion of high-cost multifamily units to rental homes that are affordable to middle-class families. The creation of affordable housing is central to Freddie Mac’s mission, and it only becomes possible when we work together.”

“There are many different levels of need when it comes to affordable housing,” said Brent Beardall, President and CEO of Washington Federal Bank. “This partnership helps solve the often-forgotten middle income workforce – teachers, nurses, and first responders, to name a few. We are thrilled to be able to serve our community in this way, and to be part of a team leading the way to build diverse neighborhoods where middle income workers can actually afford to live.”

Kevin Blair, President of Western Washington for Washington Trust Bank, added: “The rapid growth in the Puget Sound has put many pressures on the underlying infrastructure of our region. Affordable housing is one of the key issues that we face. UHV provides an innovative and scalable solution for

middle income housing. Washington Trust Bank is proud to team up with UHV and Microsoft to help create a solution for what is often referred to as workforce housing. By working together towards common goals like these, we can all make a difference in our communities.”

“Affordable housing is a critical issue that requires deep commitment and innovative problem solving from all sectors,” said Berkadia CEO Justin Wheeler. “I believe that multifamily solutions are the primary avenue to an answer. We are proud to have worked with UHV and Freddie Mac to facilitate a funding solution, together with Microsoft’s affordable housing commitment, for this unique and essential project. We will continue the crucial work that supports the shared mission of our partners to provide safe and affordable housing for communities in the Pacific Northwest and across the country.”

“One of the most pressing challenges we face in our community is how to quickly provide a new supply of high-quality affordable housing. We are grateful to our lead partners for supporting the long-term vision of bringing a scalable solution to this issue,” said Tim Cavanaugh, Managing Member of Stream Real Estate.

About Urban Housing Ventures

Urban Housing Ventures is an innovative privately funded company bringing affordable housing apartment units to middle-income individuals and families. UHV believes that our cities are stronger and more vibrant when those who work in our cities can also afford to live there. Led by management from Stream Real Estate, UHV takes existing high-quality and well-located apartment units and converts units to affordable housing units while maintaining existing market-rate housing. This helps create economically diverse communities, while also delivering long-term risk adjusted market returns. UHV’s business model is economically viable and scalable because of the combination of low-interest Freddie Mac loans and a continuation of market rents on a portion of the units. For more information on UHV’s philosophy and approach to addressing affordable housing, or for more information on leasing opportunities through UHV property manager Seattle based Avenue5 Residential, visit www.urbanhousingventures.com.

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