

MacArthur Foundation Targets Preservation

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CHICAGO-The MacArthur Foundation has announced a commitment to provide \$50 million to help purchase and preserve 100,000 units of affordable rental housing.

Over the next 10 years, the charitable foundation will provide \$35 million in grants and low-cost loans to national and regional nonprofit housing groups for the acquisition, refinancing and renovation of rental housing.

Another \$10 million in low-cost loans will be provided to specialized lending intermediaries to help finance those transactions.

The Chicago-based foundation has already selected 15 nonprofits, including the Community Preservation and Development Corp. in Washington, D.C., for funding.

CPDC plans to use its \$1.5 million low-cost loan as a kitty to bid on properties that usually end up in the hands of for-profit developers. "Having this cash up front and available makes us competitive with other developers," CPDC president Leslie Steen said.

The foundation also allocated \$6.5 million in lending commitments to three lenders - Housing Partnership Finance in Boston, Neighborhood Capital Corp. in Cleveland and Prudential Mortgage Capital Co., McLean, Va.

In making the \$50 million commitment, the foundation is hoping to encourage additional investments from other sources.

"Rental housing of all types is an essential component of a balanced national housing supply," foundation president Jonathan Fanton said.

To focus attention on the need for affordable rental housing, the MacArthur Foundation also committed \$5 million to support research, policy analysis and public education.

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