

Request for Action
by
Board of Commissioners

Approval of Transfer of Physical Assets for Bridgham Manor

1. Summary of Issues

This Request for Action (“RFA”) is for approval of the transfer of the limited partnership interest of Bridgham Manor (the “Development”), an affordable housing development for the elderly located at 359 Carpenter Street in Providence, Rhode Island.

Under Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) Rules Relative to Multifamily Loan Programs, Proposed Prepayments or Transfers, 825-RICR-30-00-3 (as amended, the “TPA Regulations”), project owners must obtain RIHousing’s approval and comply with RIHousing’s administrative procedures for the transfer of physical assets and prepayment of the mortgage before conveying, assigning, or transferring any ownership interest in a multifamily housing project.

2. Discussion

The owner of the Development is Bridgman Associates, L.P. The current general partner of the Development is RIBM Management, LLC, a Rhode Island limited liability company that holds a 9.99% interest in the partnership. The two current investor limited partners in the Development are Alliant Credit Facility ALP, LLC and Alliant Credit Facility, LTD. (collectively, the “Transferor”). Collectively, the Transferor holds a 90.01% limited partner interest. The Transferor intends to withdraw and sell their partnership interests (the “Partnership Interests”) to RIBM Management, LLC (the “Transferee”).

The Transferee will pay the sum of \$2,750,000 to purchase the Partnership Interests. The Transferee will assume all existing obligations encumbering the Development. The initial compliance period for the Development ended in October 2022 and the financial benefits of the tax credits and depreciation losses have been substantially realized by the Transferor.

The current property manager is SHP Management Corp., an affiliate of RIBM Management, LLC, the general partner. No change in the management agent is contemplated.

3. Recommendation

The attached resolution approving the transfer of the limited partnership interest, subject to the conditions contained therein, is recommended for approval.

4. Attachment

A) Resolution

Attachment A

Resolution of the Board of Commissioners of Rhode Island Housing Mortgage and Finance Corporation

Whereas, under Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) Rules Relative to Multifamily Loan Programs, Proposed Prepayments or Transfers, 825-RICR-30-00-3 (as amended from time to time, the “TPA Regulations”), project owners must obtain RIHousing’s approval and comply with RIHousing’s administrative procedures for the transfer of physical assets before conveying, assigning or transferring any ownership interest in a multifamily housing project;

Whereas, RIBM Management, LLC seeks approval of the transfer of the limited partnership interest in Bridgman Associates, L.P., the owner of Bridgman Manor (the “Development”), from Alliant Credit Facility ALP, LLC and Alliant Credit Facility, LTD. to RIBM Management, LLC; and

Whereas, staff has reviewed this request under the TPA Regulations and determined that the proposed transaction complies with the regulatory requirements.

NOW, THEREFORE, IT IS HEREBY:

Resolved, that the transfer of the limited partnership interest in the Development from Alliant Credit Facility ALP, LLC and Alliant Credit Facility, LTD. to RIBM Management, LLC be, and hereby is, approved, subject to the following terms and conditions:

1. Receipt by RIHousing of all application materials required in Phases 2 and 3 of the TPA Regulations (see §3.4 of the TPA Regulations) except for such requirements as may be waived or modified by the Executive Director, consistent with the nature of this transaction and protection of the interests of RIHousing;
2. Receipt by RIHousing of the Processing Fee, as defined in §3.4 of the TPA Regulations; and
3. Satisfaction of any additional requirements that the Executive Director believes to be necessary or advisable to protect the interests of RIHousing with respect to the Development.

Resolved, that the Executive Director, Deputy Executive Director, and Director of Real Estate Development, each acting singly, are hereby empowered and directed to take any and all actions they deem necessary to carry out the foregoing resolutions.