

**Request for Action**  
**by**  
**Board of Commissioners**

**Approval of Transfer of Physical Assets (TPA) for Colonial Village Apartments**

1. Summary of Issues

This Request for Action (“RFA”) is for approval of the transfer of the limited partnership interest in Colonial Village Apartments (the “Development”), an affordable housing development for elderly and disabled households located in North Smithfield.

2. Discussion

The owner of the Development is Colonial Village Associates, Limited Partnership. The current general partner of the development is CVA Developers, LLC, which holds a .01% interest in the partnership. The two current investor limited partners in the Development are The Washington Trust Company, of Westerly and Washington Financial LLC (collectively the “Washington Trust Companies”). The Washington Trust Companies hold a 99.99% limited partner interest. The Washington Trust Companies intend to withdraw and sell their partnership interests to CVALP Investor, LLC (the “Transferee”). Both the current general partner and the Transferee are affiliated with Cathedral Development Group, Inc., the developer.

No new financing is currently anticipated. The Transferee will assume all existing obligations encumbering the Development.

The current property manager is Property Advisory Group, Inc. (“PAG”). The owner and PAG are affiliated entities. No change in the management agent is contemplated. The Development received a 93a on its most recent REAC score and PAG provided a list of capital improvements made over the past eight years. The transfer will allow the Transferee to buy out the limited partners after the tax credits have been fully utilized but before the initial compliance period expires.

2. Recommendation

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

3. Attachments

- 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,** Cathedral Development Group, Inc. seeks approval of the transfer of the limited partnership interests in Colonial Village Associates, Limited Partnership, the owner of Colonial Village Apartments (the “Development”), from The Washington Trust Company, of Westerly and Washington Financial LLC to CVALP Investor, 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 interests in the Development from The Washington Trust Company, of Westerly and Washington Financial 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 transfer 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, the Deputy Executive Director, or the Director of Development each acting singly, be and hereby are authorized to execute and deliver on behalf of RIHousing all documents necessary or advisable to consummate such transfer and to take such further actions as he or she shall deem necessary or advisable in connection therewith.