

**Request for Action  
by  
Board of Commissioners**

**Approval of Transfer of Physical Assets (TPA) for Deerfield Commons Apartments (North Smithfield)**

1. Summary of Issues

This Request for Action (“RFA”) is for approval of the transfer of the limited partnership interest in Deerfield Commons Apartments (the “Development”), an affordable housing development located in North Smithfield.

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 Deerfield Acquisition, LP (the “Owner”). The current general partner of the Development is Deerfield GP, LLC, which holds a .01% interest in the partnership. The two current investor limited partners in the Development are Countryside Corporate Tax Credits XIX Limited Partnership, a Massachusetts limited partnership (the “Withdrawing Limited Partner”), and Michel Properties, LLC, a Massachusetts limited liability company (the “Withdrawing Special Limited Partner” and together with the Withdrawing Limited Partner, collectively, the “Withdrawing LP”). The Withdrawing LP intends to transfer its partnership interests to 190 Deerfield Investor, LLC, a Rhode Island limited liability company (the “Transferee”) for the sum of \$78,441. The Transferee will become the replacement investor limited partner and the replacement special limited partner of the Partnership. Both the current general partner and the Transferee are affiliated with Cathedral Development Group, Inc., the original 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 management company are affiliated entities. No change in the management agent is contemplated. The Development received a 99b on its most recent REAC score, and PAG provided a list of capital improvements made over the past three years.

2. Recommendation

The attached resolution approving the transfer of the limited partnership interest, 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,** Deerfield GP, LLC seeks approval of the transfer of the limited partnership interest in Deerfield Acquisition, LP, the owner of Deerfield Commons Apartments (the “Development”), from Countryside Corporate Tax Credits XIX Limited Partnership and Michel Properties, LLC to 190 Deerfield 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 interest in the Development from Countryside Corporate Tax Credits XIX Limited Partnership and Michel Properties, 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 Real Estate 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.