

Program Overview

Completed by david@vital-housing.com on 6/20/2025 11:48 AM

Case Id: 30349
Name: Vital Housing - 2025
Address: *No Address Assigned

Program Overview



CITY OF BEND

CITY OF BEND
AFFORDABLE HOUSING DEVELOPMENT APPLICATION

City of Bend
710 NW Wall St.
Bend, Oregon 97703
(541) 323-8550
housing@bendoregon.gov

This section provides general information regarding the PRO Housing Fund (PRO), Affordable Housing Fund (AHF), and Community Development Block Grant Fund (CDBG) programs and the types of activities that are eligible for funding. For more detailed information on the program and the related eligible activities, please contact the City's Affordable Housing Program at housing@bendoregon.gov, or (541) 323-8550, or P.O. Box 431, 710 NW Wall Street, Bend, OR 97709, or visit the HUD website at www.hud.gov.

Objectives

In 2024, the City of Bend was awarded a \$5,000,000 in Pathways to Removing Obstacles to Housing (PRO Housing) grant from the U.S. Department of Housing and Urban Development (HUD). Approximately \$4,000,000 of the PRO Housing grant establishes the PRO Housing Fund. This Fund can be used for land acquisition, infrastructure, homebuyer assistance, new housing construction, and other housing-related costs through competitive RFP processes.

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The PRO Housing Fund is intended to be offered in competitive application cycles along with annual Community Development Block Grant (CDBG) and Affordable Housing Fund (AHF) offerings. Applicants may choose to apply for any/all the funding sources, greatly amplifying the amount of funding available for affordable housing development. Funds will be targeted to developments with high feasibility of success, low risk, and near-term deadlines, who, without additional funding, will be unable to proceed in the near term. By offering the Fund to developers as loans, as opposed to grants, repayments of loans are refunneled into future application cycles, resulting in a long-term impact on the community's housing and community development needs.

Funding from these sources shall only be spent for affordable housing programs and projects evaluated pursuant to the priorities established through the City of Bend Consolidated Plan and administration of the affordable housing programs and projects. Any loan proceeds from this source shall be returned to the relevant fund.

Eligible Proposals

Funding from these sources must be targeted as housing opportunities for households at or below 100% of Area Median Income (AMI) for AHF funds, and at or below 80% for PRO Housing and CDBG funds.

Eligible Applicants

PRO Housing and CDBG eligible applicants are Certified Community Housing Development Organizations (CHDOs), government housing providers and qualified 501(c)(3) organizations.

AHF eligible applicants are property owners, private sector for-profit developers, certified CHDOs, government housing providers and qualified 501(c)(3) organizations.

Any such organizations currently under investigation regarding previously awarded federal, state, or local government funding are ineligible for assistance from the City of Bend's Affordable Housing Program

CDBG Proposals

Community Development Block Grant (CDBG) is authorized under Title 1 of the federal Housing and Community Development Act of 1974, as amended. The primary objective of the CDBG Program is the development of viable urban communities through:

- The provision of decent housing,
- The provision of a suitable living environment, and
- The expansion of economic opportunities.

The Community Development Block Grant Program is administered at the federal level by the Department of Housing and Urban Development (HUD).

National Objectives

Federal regulations specify that all activities undertaken using CDBG funding must meet at least one of the following national objectives:

- Benefit to low-and moderate-income persons,
- Aid in the prevention or elimination of slums or blight, or
- Meet a need having a particular urgency.

HUD considers persons below 80% AMI low-income and persons at 80% AMI moderate-income. The three national objectives are summarized below:

1. Benefit to Low- and Moderate-Income Persons

Under this objective, CDBG-assisted activities must primarily benefit low- and moderate-income persons. The income

thresholds for meeting the low- and moderate-income requirement are determined by HUD. Projects funded with CDBG dollars must either:

- benefit all of the residents of a particular area, where at least 51% of the residents are low- and moderate-income,
- benefit specific populations (e.g., homeless persons, elderly persons, or persons living with HIV/AIDS), as long as 51% of those served are low- or moderate-income,
- provide or improve permanent residential structures for low- and moderate-income persons, or
- create or retain permanent jobs, at least 51% of which will be made available to or held by low- and moderate-income persons.

2. Elimination of Slum and Blight

Under this objective, CDBG-assisted activities must help to prevent or eliminate slums and blighted conditions. These activities must either:

- prevent or eliminate slums or blight in a designated area in which slums or blighted or deteriorating conditions exist,
- prevent or eliminate slums or blight on a spot basis in an area not located in a slum or blighted area, in cases where a specific condition is detrimental to public health and safety, or
- be in an urban renewal area.

3. Urgent Need

The Urgent Need category is designed only for activities that alleviate emergency conditions of recent origin that pose a serious and immediate threat to the health or welfare of the community, and for which no other sources of funding are available. An example of an eligible project under this category would be a major flood that causes serious damage to buildings and infrastructure, thereby threatening the safety of occupants or nearby residents.

Basic CDBG Eligible Activities

In order to meet local needs within the national objectives, the CDBG Program provides a great deal of flexibility in the eligible uses of CDBG funds. According to federal CDBG regulations outlined in 24 CFR 570, the basic eligible activities include a variety of uses.

Eligible Activities Under PRO Housing, AHF Funds

The PRO Housing and AHF funds can support eligible activities to include a variety of uses such as homeownership activities, rental housing activities and special needs housing including, but not limited to:

- Acquisition of real property by purchase
- Construction, reconstruction, and rehabilitation of housing
- Direct homeownership assistance to low- or moderate-income households
- Construction and permanent financing of both rental and homeownership projects
- Rehabilitation and Preservation - rehabilitation of privately owned buildings or low-income public housing

Ineligible Activities

In general, activities that are not specifically identified as eligible are considered to be ineligible. The following activities are specifically identified as activities that are not eligible for the PRO Housing, AHF, and CDBG funds. Please contact the City's Housing Division Manager or Affordable Housing Coordinator for more information on ineligible activities.

- Acquisition, construction, or reconstruction of buildings for the general conduct of government

- General government expenses
- Political activities
- Purchase of construction equipment, fire protection equipment, furnishings and personal properties
- Operating and maintenance expenses
- Income payments

2025 Income Limits

Initial tenants or homeowners of AHF assisted units must have an annual household income which does not exceed 100% of the area median income for the City of Bend (adjusted for family size) and initial homeowners and tenants of PRO Housing and CDBG assisted units must have an annual household which does not exceed 80% of the area median income for the City of Bend (adjusted for family size).

HUD Income limits are effective July 1, 2025.

Persons Per Household	1	2	3	4	5	6	7	8
Area Median Income (AMI)	\$80,000	\$91,400	\$102,850	\$114,300	\$123,400	\$132,550	\$141,700	\$150,850
Moderate Income (80% AMI)	\$64,050	\$73,200	\$82,350	\$91,450	\$98,800	\$106,100	\$113,400	\$120,750
(60% AMI)	\$48,000	\$54,850	\$61,700	\$68,550	\$74,050	\$79,550	\$85,000	\$90,500
Low Income (50% AMI)	\$40,000	\$45,750	\$51,400	\$57,150	\$61,750	\$66,300	\$70,900	\$75,450
Extremely Low Income (30% AMI)	\$24,050	\$27,450	\$30,900	\$34,300	\$37,050	\$39,800	\$42,550	\$45,300

Rent Limits

At the time of this application opening, OHCS 2025 Rent Limits for HOME Projects were not yet posted. For updated figures when available, please refer to <https://www.oregon.gov/ohcs/compliance-monitoring/pages/rent-income-limits.aspx>.

For reference, HUD's 2025 HOME rent limits for Bend, effective June 1, 2025, are listed below.

Rent Limits	0 Bedrooms	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
Fair Market	\$1285	\$1318	\$1667	\$2336	\$2799	\$3219
Low Rent Limit	\$1000	\$1071	\$1285	\$1486	\$1657	\$1829
High Rent Limit	\$1281	\$1318	\$1651	\$1898	\$2098	\$2296

Please review the following documents regarding the City of Bend Affordable Housing Development Program:

[Affordable Housing Development Program](#)

[City of Bend Policy - Loans and Grants](#)

[504 Self-Evaluation Checklist](#)



I have downloaded and read the above documents.

A. Applicant Information

Completed by david@vital-housing.com on 6/20/2025 11:50 AM

Case Id: 30349

Name: Vital Housing - 2025

Address: *No Address Assigned

A. Applicant Information

Please provide the following information.

ORGANIZATION INFORMATION

A.1. Organization Name

Vital Housing LLC

A.2. Organization Address

8 The Green STE R Dover, DE 19901

A.3. Executive Director Full Name

Robert Sheppard

A.4. Executive Director Email Address

robert@vital-housing.com

PROJECT INFORMATION

A.5. Project Name

Cedarwest Apartments

A.6. Project Location

825 NE Watt Way, Bend, OR 97701

CONTACT PERSON INFORMATION

A.7. Contact Full Name

Corey Baldwin

A.8. Contact Title

Director of Acquisitions

A.9. Contact Address

100 N. Howard St. #6521 Spokane, WA 99201

A.10. Contact Phone Number

206-999-3908

A.11. Contact Email Address

corey@vital-housing.com

A.12. Board President Name

N/A

A.13. Board President Email Address

N/A

B. Organization Information

Completed by david@vital-housing.com on 6/20/2025 11:56 AM

Case Id: 30349

Name: Vital Housing - 2025

Address: *No Address Assigned

B. Organization Information

Please provide the following information about your organization:

B.1. What is the organization's background, mission, and service history:

Vital Housing is a mission-driven owner and operator dedicated to addressing the growing scarcity of affordable housing. We focus on acquiring, preserving, and decarbonizing affordable housing communities while improving the lives of our residents we serve. With over 80 years of collective experience investing in and operating affordable housing, our senior management has acquired 23 affordable housing communities spanning 3,150 units and \$282 million in asset value while our asset management team has overseen the operations on more than 8,500 affordable housing units across the country. Our Founder, Robert Sheppard, has spent over 33 years innovating in investment, capital markets, and brokerage. He started and built the first affordable intermediary with integrated service offerings for investment sales, lending, and investment banking. In 2015 he sold the business to CBRE, forming the CBRE Affordable Housing and continued to lead the group until 2021. On his retirement, the group had over 80 employees and had transacted a total of \$22 billion in affordable property sales, \$9.6 billion in financing, and \$6 billion in investment banking closings. Over his career, Robert has overseen the underwriting and execution of well over 2,000 affordable transactions as an intermediary.

B.2. Provide a brief description of the organization's financial stability as it pertains to the organization's capacity to successfully complete the project, including a brief financial history and primary funding sources. The City may request copies of the organization's financial audit or review for the last two years.

Vital Housing has demonstrated strong financial capacity through the successful closing of three affordable housing transactions totaling \$148 million in total development costs within the past six months. These transactions included complex capital stacks and involved coordination with both public and private sector partners, reflecting our ability to execute preservation projects at scale and under tight timelines. Our capital partners include some of the nation's most experienced affordable housing institutions. Private partners such as National Equity Fund (NEF), Berkadia, Enterprise Community Partners, Bellwether, and Lument have provided equity and debt financing across multiple projects. Public sector partners include Oregon Housing and Community Services, the Portland Housing Bureau, and Thurston County, Washington. These relationships reflect a high level of underwriting credibility and a consistent track record of performance. Vital Housing finances all acquisition predevelopment activities internally, without the use of outside funds or lines of credit. We make equity investments in every property we acquire, underscoring our commitment to each project's success. This structure allows us to move quickly on preservation opportunities and absorb early-stage financial risk in advance of public subsidy awards or tax credit closings. Our organizational balance sheet reflects adequate liquidity to support holding costs, due diligence, and early project work. We are prepared to provide unaudited current financial statements from our principals upon request to confirm our financial position. With both operational capacity and financial strength, Vital Housing is well positioned to complete the Cedarwest preservation successfully and deliver long-term affordability to the Bend community.

B.3. Key Personnel Assigned to Project:

Name	Job Title	Qualifications	FTE Hours
Corey Baldwin	Director of Acquisitions	20 years affordable	40

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		housing experience	
David Perloe	Senior Associate	14 years affordable housing experience	40
Christina Adams	Director of Asset Management	14 years affordable housing experience	40
Randy McElfresh	Director of Facilities and Capital Improvements	21 years construction and affordable housing experience	40
Robert Sheppard	Founder	33 years affordable housing experience	40
			200

C. Project Description

Completed by mkamanya@bendoregon.gov on 6/25/2025 8:29 AM

Case Id: 30349
Name: Vital Housing - 2025
Address: *No Address Assigned

C. Project Description

Please provide a brief description of the following:

C.1. Total amount requested:

\$500,000.00

C.2. In one or two sentences, describe what the requested funds will be used for.

Funds will be used to acquire Cedarwest Apartments.

C.3. Total number of units to be developed:

121

C.4. Number of accessible units:

9

C.5. Number of Affordable Units:

120

C.6. Number of market rate units:

1

C.7. Describe the need or problem your project will address.

Cedarwest Apartments addresses a critical preservation need in Bend's escalating housing crisis. This 121-unit property, fully income-restricted at 35% and 60% AMI, is at high risk of converting to market-rate when its Land Use Agreement expires on December 31, 2027. The property is currently being marketed for sale. Vital Housing is the only known buyer pursuing preservation; all other interest has been from market-rate investors, drawn by the sizable rent gap: over \$1,000/month for 35% AMI units and an average of \$400/month for 60% AMI units. This gap highlights both the vulnerability of current residents and the property's desirability due to its proximity to Whole Foods, Safeway, St. Charles Hospital, schools, and major employment centers.

Bend's rapid growth has drastically outpaced housing production. From 2016 to 2025, the region's median family income more than doubled from \$59,700 to \$123,500 while affordable housing supply remained stagnant. Without intervention, Cedarwest's conversion would displace 226 low-income residents and erode deeply affordable housing in a high-opportunity neighborhood.

This project directly advances the City's Consolidated Plan Goal #2—to preserve existing affordable rental housing and aligns with the City's high-priority funding objective of protecting at-risk low-income housing. AHF funding is essential to secure this acquisition, locking in affordability for decades and preventing displacement of some of Bend's most economically vulnerable residents. Cedarwest is preservation with urgency, equity, and impact.

C.8. Describe how your project will address the identified need or problem, including project background, project objectives, services to be provided by the project, the populations or areas to be served, and how the Affordable Housing Development assistance will be used.

The objectives of the Cedarwest project are to preserve both long-term affordability and the physical integrity of the property through a strategic 4% LIHTC resyndication. We intend to implement a comprehensive rehabilitation that will ensure Cedarwest remains high-quality, safe, and livable for the full term of the new regulatory agreement.

Our planned rehab includes replacement of all major building systems: siding and windows, in-unit HVAC, and decks. We will also implement water conservation measures, including replacement of toilets, aerators, and showerheads to reduce consumption and operating costs. Modest interior upgrades, parking lot repairs, and amenity enhancements will improve livability, accessibility, and curb appeal.

These improvements are essential to extend the useful life of the asset, reduce environmental impact, and support stable occupancy throughout the life of the new affordability restrictions. The reinvestment will protect Cedarwest as a deeply affordable resource for the community and reduce the likelihood of capital failure or resident displacement in the future.

In parallel, residents will gain access to onsite supportive services through our partnership with Viva Benefits. These include telehealth, K-12 tutoring, financial tools, and personalized referrals to local service providers. Services will be delivered through a multilingual mobile platform and supported by Community Success Managers who ensure meaningful resident engagement and follow-through.

Affordable Housing Fund assistance will support acquisition costs at closing, anchoring long-term affordability and enabling the capital stack necessary to pursue resyndication. This investment will catalyze lasting impact by preserving affordability, improving housing quality, and stabilizing a critical community asset.

C.9. Describe how your project will address the identified need or problem in a way or to a degree not already being achieved in the community. Please identify any other similar programs or projects and how your project will add to or improve upon existing services.

Bend faces a well-documented housing crisis, with only 9,300 regulated affordable units against a need for 98,554, according to the OHCS Housing Production Dashboard. Cedarwest Apartments addresses this gap not by adding new units, but by preventing the immediate loss of 121 existing ones—24 of which are restricted at 35% AMI, a level of affordability rarely preserved or produced in today's market. No other active project in Bend targets the preservation of units with such deep affordability that are also at high risk of market-rate conversion.

In addition to preserving affordability, Vital Housing will introduce a resident services model that is not currently available to Cedarwest tenants. We will partner with Viva Benefits to launch a comprehensive, resident-centered support platform. Services will be available through a multilingual, mobile-first app and include free telehealth, academic tutoring for K-12 students, a high-yield savings account, and a localized "Find Help" tool for navigating community resources. These offerings are designed to remove structural barriers and are paired with consistent support from Community Success Managers (CSMs), who build trust and ensure access.

Viva's team also identifies and formalizes partnerships with culturally responsive, trusted local organizations to strengthen the continuum of care for residents. This coordinated, tech-enabled approach ensures services are both accessible and sustained, creating a supportive environment that strengthens housing stability.

By preserving Cedarwest's affordability and delivering robust resident services for the first time, our project achieves impact that is not currently being realized elsewhere in the community.

C.10. Describe the ways in which your project will have a long-term impact on the need or problem being addressed.

At closing of the 4% resyndication, we will record a new 60-year land use restriction on Cedarwest Apartments to match the OHCS 4% LIHTC LURA, ensuring that all 121 units remain income-restricted through at least 2086. This action will ensure that once the current regulatory agreement expires the project will remain affordable long-term in one of Bend's most opportunity-rich neighborhoods. In a market where affordability is rapidly eroding, this commitment provides housing stability for current and future residents while protecting Bend's limited stock of deeply affordable housing.

Preserving Cedarwest prevents the displacement of over 121 low-income households and retains affordable rents at 35 and 60 percent of AMI, levels that are rarely produced today. The property's central location near jobs, schools, healthcare, and transit ensures that affordability is not just maintained, but strategically positioned to support access to opportunity for working families, seniors, and voucher holders.

Preservation is also the most cost-effective strategy for achieving long-term impact. Compared to new construction, this approach eliminates the need for site acquisition, infrastructure development, and lengthy entitlement processes. Every dollar invested preserves affordability at a fraction of the cost of building new units.

Beyond the regulatory commitment, Cedarwest will also implement a long-term resident services model through our partnership with Viva Benefits. This includes telehealth access, educational support, financial tools, and personalized guidance from Community Success Managers. These services support retention, reduce turnover, and help residents build lasting economic resilience.

The Cedarwest project creates durable affordability, stability for vulnerable households, and a scalable model for future preservation efforts across Bend.

C.11. Describe your organization's plan for evaluating the progress of the project toward addressing the identified need or problem.

We will evaluate the progress of our project first by achieving its primary milestone: the successful acquisition of Cedarwest Apartments. At closing, we will record a new 60-year land use restriction, ensuring that the property remains regulated as affordable housing through at least 2047. This action directly addresses the urgent risk of market-rate conversion and provides the foundation for long-term housing stability.

Following acquisition, we will implement a compliance framework to monitor resident eligibility and verify that the property continues to serve income-qualified households. This will include tracking and documenting household income levels at lease-up and recertification in accordance with City and funder requirements.

In parallel, our partnership with Viva Benefits will offer a robust layer of resident engagement and impact tracking. Viva will provide quarterly reports capturing resident utilization of services such as telehealth, academic tutoring, savings accounts, and personalized support through Community Success Managers. We will monitor app engagement, service access rates, and referrals to local partner organizations to ensure that services are reaching residents and meeting their needs.

We will also track resident turnover annually as an indicator of housing stability. A reduction in turnover, especially among lower-income households, will reflect the combined effect of stable affordability and proactive resident support. Through these evaluation tools—acquisition milestones, regulatory compliance, service utilization, and resident

retention—we will ensure the project remains accountable and effective in addressing Bend's affordable housing crisis.

C.12. Please indicate the time period that the project will remain affordable and how your organization plans to ensure that the project remains affordable for the specified time period:

To maintain compliance, we will conduct annual income certifications for all tenant households. These certifications will follow standards consistent with those used by Oregon Housing and Community Services and will verify that residents meet income eligibility requirements. The results will be submitted each year to the City of Bend Housing Manager or designated staff for review and oversight.

Our internal compliance protocols will be supported by trained staff or third-party compliance professionals to ensure accuracy in documentation, resident eligibility tracking, and alignment with the affordability requirements outlined in the LURA. Rent levels will be reviewed and adjusted annually in accordance with published income limits and utility allowances to maintain long-term affordability for residents.

Our organization is mission-driven and committed to preserving affordability as a core priority. The 60-year regulatory term is not only a contractual obligation but a direct reflection of our belief that stable, affordable housing is essential to community health and equity. We are committed to fulfilling that promise and partnering with the City to ensure that Cedarwest remains a deeply affordable asset for decades to come.

C.13. Describe your organization's collaborations with other agencies, including those that serve protected classes under the Fair Housing Act. Briefly explain your organization's history with these agencies, including any measurable outcomes in the last 12 months. What are your expected outcomes for this project?

Our organization has a strong track record of collaborating with public funders and local agencies to preserve expiring affordable housing communities. In the last six months alone, we have closed three significant preservation transactions that demonstrate both our collaborative approach and our measurable outcomes.

In January 2025, we acquired Belmont Dairy Apartments in Portland, an 85-unit expiring LIHTC community. In partnership with the Portland Housing Bureau, which provided a \$6 million 0% interest loan, we preserved 67 affordable units for 99 years and added two additional restricted units. The property serves a diverse resident base, including households with disabilities, BIPOC renters, and multigenerational families.

Also in January, we acquired Courtside Apartments in Olympia, WA—a 211-unit community at immediate risk of market-rate conversion. Working with Thurston County and the local Community Action agency, we secured a \$1.36 million forgivable loan, placed a new 20-year LURA on the property, and installed ductless mini-splits in 210 units. This project primarily serves extremely low-income renters and is being prepared for 4% LIHTC rehab in late 2025.

In March 2025, we closed the LIHTC re-syndication of Orchard Park Apartments in Salem, OR, a 224-unit property that had already begun converting units to market. Through a partnership with OHCS and the Salem Housing Authority, we secured a property tax exemption and \$23 million in PuSH funding to restore affordability. A new 40-year LURA was recorded, protecting this housing resource for the long term.

Our strategy for Cedarwest mirrors our approach at Courtside and Orchard Park. We will acquire the property, preserve its affordability, and structure it for future 4% LIHTC financing. Our expected outcome is long-term regulated affordability, improved energy efficiency, and stable housing for income-qualified residents, including seniors, families, and voucher holders.

C.14. If your project will include accessible units, please describe the planned design elements for accessibility, and

reference industry design standards you plan to use. Describe how your organization will market the units.

Cedarwest Apartments was built in 1998 and reflects the accessibility standards applicable at the time of construction, including elements of the Fair Housing Act and the Uniform Federal Accessibility Standards. Select ground-floor units and common areas were designed with features such as accessible routes, wider door openings, and appropriate turning radii. While we do not plan structural retrofits at this stage, we are committed to ensuring that the property remains accessible and welcoming to all residents.

Our property management team follows a clear and responsive process for handling reasonable accommodation requests. These accommodations may include the installation of grab bars, accessible hardware, or other unit modifications, and are completed in compliance with the Fair Housing Act and Section 504 of the Rehabilitation Act. Staff are trained in accessibility requirements and are proactive in supporting residents who identify needs.

When making unit or common area improvements, we reference the Fair Housing Design Manual and ADA Standards for Accessible Design, as applicable. Any physical alterations or maintenance activities will be reviewed to ensure ongoing compliance with current accessibility guidelines.

Our marketing strategy is designed to be inclusive and ensure access for people with disabilities. We advertise units using inclusive language, equal housing opportunity symbols, and clearly state that accessibility features and reasonable accommodations are available upon request. We also collaborate with local service providers who work with individuals with disabilities to ensure broad and targeted outreach. Listings are included in accessible housing databases whenever possible to reach those most in need.

D. Property and Project Information

Case Id: 30349
Name: Vital Housing - 2025
Address: *No Address Assigned

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D. Property and Project Information

Please provide the following information.

D.1. Describe the proposed site Include information on any improvements (infrastructure, grading, etc.) and the existence of commercial or residential structures. If building(s) are occupied, include information on the type of occupants (including relationship to the seller or other entities) and the number of occupants. For vacant parcels, include information on any known critical habitats, wetlands, rivers/streams immediately on or adjacent to the property. For previously developed sites, include information on known historic significance (or construction 50 years or older) on OR adjacent to the property.

The site is an existing garden style multifamily community comprised of ten (10) 2-story residential structures and one office building. The property is currently 99% occupied with 226 residents living on site. 30 of the property's units have household of 3 or more residents and the median household income for the site is \$31,342.

D.2. Property Legal Description

Parcel Two (2) of Partition Plat 1998-4, recorded January 20, 1998 in Partition Cabinet 1, Page 637, being a parcel of land located in the Southeast Quarter of the Northeast Quarter (SE1/4 NE1/4) of Section Thirty-Four (34), Township Seventeen (17) South, Range Twelve (12) East of the Willamette Meridian, Deschutes County, Oregon. Tax Lot Number 17 12 34AD 03700

D.3. Site Condition

Developed

D.4. Current Property Owner

Cedarwest Bend LLC

D.5. Parcel Size (Acres)

5.95

D.6. Site Control Status

If Under Contract/Option to Purchase enter expiration date:

If Leased, enter expiration date:

D.7. Site zoning

Medium Density Residential (RM)

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Upload supporting documentation

Property Legal Description

Legal Description_Current Deed .pdf

Map of Project Location

Cadarwest_Property Location Map.pdf

Evidence of Site Control

***No files uploaded*

Property Appraisal

***No files uploaded*

Notes – additional information

We are actively engaged in negotiations with the property's seller and remain focused on securing terms that will enable the preservation of Cedarwest as affordable housing. We anticipate clarity on whether our proposed offer will be accepted by July 7, 2025. We will keep the City fully informed of our progress throughout this process and will promptly communicate when a purchase agreement is finalized. Documentation confirming the agreement will be provided as soon as it becomes available.

ZONING AND SITE PLAN STATUS

D.8. Is the present zoning conforming?

Yes

D.9. Is the site plan for your project approved?

Yes

SERVICES TO SITE

Indicate if the following utilities and infrastructure are in place to service the project site.

D.10. Street access

Yes

D.11. Gas

Yes

D.12. Electric

Yes

D.13. Water

Yes

D.14. Sanitary sewer

Yes

D.15. Storm sewer

Yes

E. Work Program

Completed by david@vital-housing.com on 6/24/2025 6:29 AM

Case Id: 30349

Name: Vital Housing - 2025

Address: *No Address Assigned

E. Work Program

Please provide the following information.

E.1. Anticipated Start Date:

06/26/2025

E.2. Anticipated Completion Date:

08/03/2026

E.3. List of Task(s) Needed for Project

Task	Start Date	End Date
Purchase and sale execution with property owner	07/07/2025	07/25/2025
OHCS Impact Assessment Application Submission	07/14/2025	08/15/2025
OHCS Stability Council - Preservation Funding and Bond Allocation Award announcement	08/15/2025	11/07/2025
Architect / GC - Conceptual Drawings	11/08/2025	12/08/2025
Architect / GC - Design Drawings	12/09/2025	01/07/2026
Architect / GC - 75% set drawings	01/08/2026	01/28/2026
Architect / GC - 100% set submission for City Review	01/28/2026	03/09/2026
Architect / GC - City Comments on submitted plans	03/09/2026	04/20/2026
Architect / GC - Updated GC Project Timeline	01/08/2026	04/19/2026
Architect / GC - Updated GC SOV Pricing (100% Plan Set)	01/28/2026	04/20/2026
Architect / GC - Permits Issued	01/28/2026	05/23/2026
Architect / GC - Final Plans and spec, GC SOV, rehab schedule, AIA Contract	04/20/2026	06/08/2026
Capitalization - Lender application executed	07/24/2025	11/08/2025
Capitalization - LIHTC Equity investor LOI executed	07/26/2025	12/04/2025
Capitalization - Lender and LIHTC investor Final Funding Commitments	11/08/2025	07/27/2026

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NOTE: If funded, staff will work with you to set benchmarks for your project. Failure to meet these benchmarks could mean a reduction in funding during current or future years.

F. Project Benefit

Completed by david@vital-housing.com on 6/24/2025 6:30 AM

Case Id: 30349

Name: Vital Housing - 2025

Address: *No Address Assigned

F. Project Benefit

Please provide a brief description of the following:

F.1. Estimate of the total number of households to be served by the project.

121

F.2. Estimate the number of households to be served, by income level.

<30% AMI	31-50% AMI	51-80% AMI	>81% AMI
	20		
		101	

F.3. Estimate the number of households to be served, if known.

Elderly (aged 62+)	Persons with Disabilities	Female Head of Household	Veterans
28	8		

G. Financial Information

Completed by mkamanya@bendoregon.gov on 6/25/2025 8:28 AM

Case Id: 30349

Name: Vital Housing - 2025

Address: *No Address Assigned

G. Financial Information

Please also provide the following financial information:

G.1. A detailed line-item budget describing the total project cost and operating income and expenses, including consideration of inflationary factors, maintenance costs, potential relocation costs, and increased insurance costs associated with the project.

Budget Form *Required

Cedarwest_LIHTCProForma_vRFP 6.24.2025.xlsm

G.2. Describe the assumptions used to determine the total project cost and the operating budget, including the sources consulted and how costs were determined.

Our total project cost and operating budget assumptions are informed by recent experience, direct property insights, and input from industry-leading partners. The rehabilitation budget is modeled closely on our current work at Orchard Park Apartments in Salem, Oregon, a 224-unit community with similar characteristics to Cedarwest. Our general contractor, LMC Construction, has completed over 145 OHCS-financed projects representing more than 11,000 units. After reviewing our initial scope, LMC confirmed that our proposed budget is appropriate to execute a high-quality and durable rehab.

We also bring unique insight into Cedarwest's physical typology through our ownership of Courtside Apartments, a 211-unit community in Olympia, WA developed and constructed by the same original sponsor. This familiarity allows us to account for known system variables and construction approaches in both our scope and contingency planning.

Our operating budget is based on detailed line-item underwriting of all major expense categories. Non-controllable expenses such as taxes, insurance, and utilities were developed using trailing historicals from Cedarwest and adjusted to reflect updated rates and expected changes. Controllable expenses, including staffing, repairs, admin, and marketing, are tailored to Cedarwest's size and operational needs.

Our property manager, Cirrus Asset Management, currently manages 520 units across Oregon and Washington and contributed directly to budget assumptions for staffing and day-to-day operations.

Additionally, our team has underwritten over 100 affordable housing properties across the Pacific Northwest in the past year, providing us with extensive regional data and confidence in our projections.

G.3 Briefly describe your organization's plan for funding the project after the first year, if applicable.

Cash flow from operations will sustain ongoing operations at the project.

G.4. Explain your organization's ability to proceed with the project without your requested Affordable Housing Development assistance, or with an award less than your requested amount.

Our project underwriting assumes two essential components: a \$500,000 award from the City of Bend's Affordable Housing Fund and approval of a property tax exemption through the City's Nonprofit Low-Income Rental Housing (NPLTE) program. Both are foundational to the financial feasibility of preserving Cedarwest.

To qualify for the NPLTE exemption, we intend to partner with a 501(c)(3) organization as part of the project's redevelopment. The managing member of the project's General Partner will be a qualified nonprofit entity, ensuring that the ownership structure meets the City's NPLTE requirements.

Without the AHF award, we would need to seek replacement funding from Oregon Housing and Community Services, which may not be immediately available. In the absence of a replacement, the most likely outcome would be a scaled-back rehabilitation scope. Reducing critical building system upgrades would place greater pressure on the property's long-term sustainability and could shorten the useful life of key infrastructure.

More critically, without the NPLTE exemption, the preservation of Cedarwest is likely not feasible. The exemption represents \$1.8 million in preserved value over the restriction period. If the exemption is not approved, the property will almost certainly convert to market-rate housing, resulting in the loss of 121 deeply affordable units and the displacement of vulnerable Bend families. The exemption is not ancillary—it is central to the project's viability. In short, both the AHF award and the property tax exemption are necessary. Without them, the preservation of Cedarwest, and the protection of its residents, is at significant risk.

G.5. For construction projects, please provide a detailed pro forma

Detailed Pro Forma

***No files uploaded*

G.6. For homeownership projects, please provide potential or confirmed mortgage lenders that will be able to access financing for purchase of proposed housing units. Please provide evidence information of penitential mortgage financing for the homebuyer. Evidence being lender information, loan program/s, financial structure (i.e. down payment/terms).

N/A

G.7. Please provide any interest rate or loan terms that vary from the [City of Bend Policy - Loans and Grants](#) and would be necessary for the implementation of the proposal. All proposals will have loan terms applied.

We propose the below loan terms which conform with the City of Bend's policy:

1% interest

40-year amortization

Assumable to qualified buyer upon sale

G.8. PRO Housing Funds Requested

\$0.00

G.9. AHF Funds Requested

\$500,000.00

G.10 CDBG Funds Requested

\$0.00

G.11. Leveraged Funds

\$38,876,945.00

H. Budget

Completed by david@vital-housing.com on 6/25/2025 5:07 AM

Case Id: 30349

Name: Vital Housing - 2025

Address: *No Address Assigned

H. Budget

Please provide the following information.

H.1. Project Budget

Project Activities	Pro Funds Requests	AHF Funds Requested	CDBG Funds Requested	Other Public Funds	Private Funds	Activity Total
\$39,376,945	\$0.00	\$500,000.00	\$0.00	\$7,000,000.00	\$31,876,945.00	\$39,376,945.00
TOTAL	\$0.00	\$500,000.00	\$0.00			\$39,376,945.00

H.2. Other Public Funds

Source	Use of Funds	Amount of Funding	Funding Status
OHCS	Preservation Funding	\$7,000,000.00	
TOTAL		\$7,000,000.00	

H.3. Private Funds

Source	Use of Funds	Amount of Funding	Funding Status
Senior Lender	Project Capitalization	\$15,080,000.00	
LIHTC Equity	Project Capitalization	\$14,276,353.00	
Project Current Income	Project Capitalization	\$1,505,656.00	
Deferred Developer Fee	Project Capitalization	\$1,014,936.00	
TOTAL		\$31,876,945.00	

H.4. Funding Documentation

Funding Documentation - Letters of funding commitment from sources

Cedarwest - Berkadia Financing Commitment Letter - 06.23.2025.pdf

I. Project Feasibility and Readiness

Completed by david@vital-housing.com on 6/25/2025 4:36 AM

Case Id: 30349

Name: Vital Housing - 2025

Address: *No Address Assigned

I. Project Feasibility and Readiness

Please provide the following information regarding project feasibility and readiness:

I.1 Describe your organization's administrative capacity to complete the project, including its experience in implementing and managing activities similar to the proposed project. If capacity is achieved through partnerships with or utilization of other organizations or agencies, describe the nature and status of these partnerships.

Our organization has a proven track record of executing complex, publicly financed preservation projects without reliance on outside consultants. In 2025 alone, we successfully closed three preservation transactions—Courtside in Olympia, Belmont Dairy in Portland, and Orchard Park in Salem—all of which required coordination with public funders, regulatory agencies, and private capital partners. Belmont Dairy is a standout example of our administrative capacity. There, we simultaneously closed two loan products that were the first of their kind. The Portland Housing Bureau's catalytic preservation loan was their first non-LIHTC preservation debt product. It required the creation of new forms, custom LURA provisions, and intensive coordination with PHB staff and legal counsel. At the same time, we closed the first National Clean Investment Fund loan in the country with CPC Climate Capital. We helped CPC shape the program, negotiate subordinate loan terms, and secure necessary approvals from PHB, our senior lender, and our equity investor. These complex closings—each involving local, state, and federal stakeholders—demonstrate our ability to manage novel structures and navigate administrative requirements with precision and efficiency. For Cedarwest, we will coordinate directly with OHCS, a LIHTC equity investor, our senior lender, general contractor, and the City of Bend. We will not require outside consultants. Our internal team has the full capacity, experience, and institutional knowledge to execute this project successfully.

I.2. If applicable, describe your neighborhood and/or community support for the project. Attach letters of support or other evidence of neighborhood/community support.

We have had multiple discussions with the NeighborImpact, the local weatherization assistance program sub-grantee, about supporting the project in providing weatherization services to the property. They expressed their support to see not only the project preserved but also weatherized. While we a formal partnership is not currently in place, we will look to memorialize a partnership with them upon receipt of award.

Attach Letters of Support

Evidence of Neighborhood/Community Support

**No files uploaded

I.3. Describe your organization's readiness to proceed with the project. For example, is staff currently available to work on the project, or is the organization ready to proceed with hiring staff?

Our organization has the full administrative and financial capacity to execute on the projects acquisition and preservation. Having recently completed 3 such projects in the past 6 months, we have the team in place and would not require hiring new staff in order to proceed with this project.

I.4. Describe any land use processes (such as a zone change or a conditional use permit) the project will require and

what steps, if any, have been taken to address these issues.

There are no land use processes that required to move forward. However, the project must receive a property tax exemption to be preserve the property at its current AMI set-asides. Upon receipt of AHP award, we would immediately apply for the NPLTE exemption with the city.

I.5. For PRO Housing and CDBG applicants, describe your organization's familiarity with meeting federal requirements, and/or the organizations plan for ensuring that these requirements are satisfied.

N/A

I.6. Estimated date that all funds will be spent.

08/03/2026

I.7. Estimated date that units will be occupied.

08/03/2026

J. Required Documents

Completed by david@vital-housing.com on 6/25/2025 5:08 AM

Case Id: 30349

Name: Vital Housing - 2025

Address: *No Address Assigned

J. Required Documents

Please provide the following information.

Please download, complete, and upload the document (s) below:

- [504 Self-Evaluation Checklist](#)

Documentation

504 Self-Evaluation Checklist

504 Self-Evaluation Checklist_CityofBend.pdf

Affirmatively Furthering Fair Housing Statement and Marketing Plan

***No files uploaded*

Proof of Non-Profit or Governmental Status

***No files uploaded*

Status of Oregon Business Registry Printout

VITAL HOUSING LLC - OR GS 9.30.24.pdf

Unique Entity Identifier (UEI) Number

***No files uploaded*

Map of Project Location

Cadarwest_Property Location Map.pdf

Equity and Inclusion Policy

***No files uploaded*

Submit

Completed by mkamanya@bendoregon.gov on 6/25/2025 8:30 AM

Case Id: 30349

Name: Vital Housing - 2025

Address: *No Address Assigned

Submit

Once an application is submitted, it can only be "Re-opened" by an Administrator. Also note: please check your Spam email folder if you have not received any emails from Neighborly.

The applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining funding under the City's Affordable Housing Development Program.

I understand that U.S.C. Title 18, Sec. 1001, provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies...or makes any false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both."

I certify that the application information provided is true and complete to the best of my/our knowledge.

I agree to provide any documentation needed to assist in determining eligibility and are aware that all information and documents provided, except as exempted pursuant to law, are a matter of public record.

I further grant permission and authorize any bank, employer, or other public or private organization to disclose information deemed necessary to complete this application.

Authorized Signature

David Perloe

Electronically signed by david@vital-housing.com on 6/25/2025 5:09 AM

Cedarwest

PROJECT SUMMARY

GENERAL INFORMATION

PROJECT NAME	Cedarwest	
OWNER/CLIENT	Vital Housing LLC	
PROJECT DESCRIPTION	4% LIHTC Resyndication	
PROJECT TYPE	Garden	
DRAFT VERSION	6/24/2025	
ADDRESS	825 Northeast Watt Way, Bend OR 97701	
YEAR BUILT	1998	
SITE ACREAGE	5.95	
TOTAL UNITS/ACRE	121 (approximately 20 units/acre)	
MSA / County	Bend-Redmond	Deschutes
AREA MEDIAN INCOME	114,300	
LAST AMGI INCREASE	4/1/2025	
ACQUISITION PRICE	\$23,250,000	
QCT / DDA	Yes	

UNIT MIX & RENTS

UNIT MIX	35% AMI	60% AMI	TOTAL
SRO/STUDIO	-	-	-
ONE BEDROOM	18	10	28
TWO BEDROOM	2	66	68
THREE BEDROOM	-	25	25
FOUR BEDROOM	-	-	-
	20	101	121

RENTS	CURRENT AVG	35% AMI	60% AMI	MARKET
SRO/STUDIO	-	-	-	-
ONE BEDROOM	1,169	668	1,204	1,670
TWO BEDROOM	1,368	795	1,438	1,808
THREE BEDROOM	1,465	-	1,653	2,200
FOUR BEDROOM	-	-	-	-

*Rents are net of Utility Allowances

INCOME & EXPENSE (CONVERSION BUDGET)

INCOME:	TOTAL	PER UNIT	% OF TOTAL
GROSS POTENTIAL INCOME	\$2,021,127	\$16,703.53	100.8%
VACANCY/RENT ADJUSTMENTS	-\$121,268	-\$1,002	-6.0%
OTHER INCOME	\$105,158	\$869	5.2%
EFFECTIVE GROSS INCOME	\$2,005,018	\$16,570	100.0%
PROFESSIONAL MANAGEMENT	\$70,765	\$585	8.5%
ADMINISTRATIVE	\$70,535	\$583	8.5%
PAYROLL AND BENEFITS	\$265,697	\$2,196	32.0%
UTILITIES	\$181,212	\$1,498	21.8%
OPERATING & MAINTENANCE	\$88,978	\$735	10.7%
REAL ESTATE TAXES	\$0	\$0	0.0%
INSURANCE	\$102,695	\$849	12.4%
REPLACEMENT RESERVES	\$44,929	\$371	5.4%
OTHER (TAX CREDIT MONITORING)	\$4,840	\$40	0.6%
TOTAL EXPENSES	\$829,651	\$6,857	100.0%
NET OPERATING INCOME	\$1,175,367	\$9,714	
DEBT SERVICE (SENIOR LOAN)	\$1,022,283	\$8,449	<u>DSCR</u>
			1.150
NET PARTNERSHIP CASH FLOW	\$153,083	\$1,265	

SOURCES AND USES

SOURCES:	TOTAL	PER UNIT	% OF TOTAL
LIHTC Equity (\$0.825)	\$14,276,353	\$117,986	36.3%
PERMANENT LOAN (6.210%, 90% LTV, 1.150 DSCR)	\$15,080,000	\$124,628	38.3%
City of Bend	\$500,000	\$4,132	1.3%
OHCS Funding	\$7,000,000	\$57,851	17.8%
OTHER (SPECIFY)	\$0	\$0	0.0%
NOI DURING CONSTRUCTION	\$1,505,656	\$12,443	3.8%
DEFERRED DEVELOPER FEE (\$1,575,500 PAID)	\$1,014,936	\$8,388	2.6%
GRAND TOTAL SOURCES	\$39,376,945	\$325,429	100.0%
ACQUISITION & CLOSING COSTS	\$23,250,000	\$192,149	59.0%
CONSTRUCTION COSTS	\$9,870,575	\$81,575	25.1%
PERMITS & FEES	\$48,400	\$400	0.1%
ARCHITECTURE & ENGINEERING	\$227,500	\$1,880	0.6%
TECHNICAL STUDIES	\$34,000	\$281	0.1%
OTHER SOFT COSTS	\$278,125	\$2,299	0.7%
RESERVES	\$969,853	\$8,015	2.5%
FINANCING COSTS	\$331,200	\$2,737	0.8%
INTEREST DURING CONSTRUCTION	\$1,505,656	\$12,443	3.8%
TAX EXEMPT BOND COSTS	\$137,512	\$1,136	0.3%
TAX CREDIT COSTS	\$133,688	\$1,105	0.3%
DEVELOPER FEE	\$2,590,436	\$21,409	6.6%
GRAND TOTAL DEVELOPMENT COSTS	\$39,376,945	\$325,429	100.0%

Deschutes County Property Information - Dial

Road Map



Map and Taxlot: 171234AD03700

