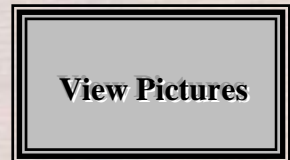


Project Name	Montgomery Arms
Address	8627 Fenton Street, Silver Spring, MD 20910
Owner	Housing Opportunities Commission
Total # of Units	130
# of Affordable Units	84
Population Served	Low and moderate income households

COUNTY FINANCING AND SOURCE:

DHCA Loan: **\$1,750,000**

Montgomery County HIF Loan	\$1,750,000
Montgomery County HIF Grant (for lead removal)	\$250,000



DATE OF COUNTY LOAN:

OTHER FINANCING SOURCES:

Tax Exempt Bonds	\$10,400,000
Existing Project Escrows & Reserves	\$910,991
HOC Owner's Equity	\$1,089,009



LEVERAGE RATIO OF COUNTY FUNDS:

6.2 to 1



TOTAL PROJECT COST:

\$14,400,000

PROJECT DESCRIPTION:

Montgomery Arms is a garden and mid-rise apartment complex located within the Central Business District of Silver Spring, near the Metro station and surrounding rental and office space. There are two garden buildings and one five-story, 57 unit mid-rise building. The complex was built in 1941 and was designated as historically significant by the Montgomery County Historic Preservation Society. HOC acquired the complex in 1992 and operates it as mixed-income. In 2003, HOC began substantial renovations in accordance with historic preservation standards. To ease the tenant disruption, HOC offered \$2,000 to tenants willing to move out. The resulting 60% occupancy allowed renovations to take place with the least possible disruption.

To ensure that the building remains affordable, the development budget included \$350,000 allocated to fund the subsidization of a portion of post-rehabilitation rent increases for existing low-income residents for five years. 52 units are restricted to households with incomes at or below 60% of area median income; 22 units are restricted to participants in HOC's Project Based Housing Choice Voucher Program; and 10 units serve individuals in the McKinney Program. The remaining 46 units are market rate.