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## TAMPA BAY Business Journal

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# Senior housing complex sold, and stimulus could lead to more

Tampa Bay Business Journal - by [Michael Hinman](#) Staff Writer

ST. PETERSBURG — The \$6.8 million sale of Columbian Senior Apartments on Third Avenue South in the shadow of Tropicana Field isn't eye-catching until the down housing market is considered.

Closed last week, the sale was 16 months in the making — and it almost didn't happen.

Struggles with a tough investment environment contributed to the lengthy process of buying the Columbian from long-time owner **Demetree Brothers Inc. of Jacksonville** for \$36,170 a unit, said Debra Koehler, a principal along with former investment banker Todd Turner of Columbian buyer **Sage Partners**. The seller owned the 188-unit, 11-story building since the mid-1980s.

Financing help came from both **Bank of America Corp.** (NYSE: BAC) and **PNC Financial Services Group** (NYSE: PNC) as well as from Pinellas County and city of

St. Petersburg, Koehler said.

### What a difference a year makes

There is now money to be tapped in the affordable housing sector within the framework of the \$787 billion American Recovery and Reinstatement Act.

The Columbian sale was done without stimulus money because work on that started in March 2008 before the federal package even existed, said Koehler.

Affordable housing sales and even new construction may benefit from the opportunities — details of which are still making their way to industry professionals. That activity could move the needle on a segment of the housing industry that's in high demand, practitioners said. If so, that uptick in business could be enough to stimulate the wider residential market.

### Not everyone can jump in

**The Florida Housing Finance Corp.**, the nonprofit created by the Legislature to help



KATHLEEN CABBLE

Debra Koehler, president of Sage Partners, John Nunnery, VP of PNC Multi Family Capital, and Todd Turner, executive VP of Sage Partners, at the Columbian Senior Apartments.

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create affordable housing, is ready to start giving out \$39.4 million worth of tax credits developers can sell to raise money for projects. However, much of the \$36.5 million in tax credits issued last year have still not been sold, despite prices dropping to almost 65 cents on a dollar from a housing boom high of 90 cents, said Florida Housing communications director Cecka Rose Green.

The tax credits are attractive to companies — typically banks — that can use the credits over a 10-year period to reduce tax liabilities. But with little profit among banks in the current economy, there aren't a lot of credits being sold.

The state has roughly \$650 million to dole out through the stimulus package, and part of those funds will be used in a tax credit exchange program that will help developers that applied for credits in 2007 and 2008 to get the funding they're seeking, including 908 Development Group of St. Petersburg.

With affordable housing getting a noticeable boost from the federal government, there's always the chance that other down-on-their-luck developers might jump in.

But it's not likely.

"There are so many rules and regulations that govern affordable housing, and there's quite the learning curve," said 908 Development Principal Justin Wilson. "You have to have prior affordable housing experience and have a project planned out. So it's almost a closed-door type of policy."

### **Sprucing up**

New owner Sage Partners plans to spend more than \$6 million to renovate over the next 12 months, including completely rehabbed units and the new sage green exterior color. — Michael Hinman

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