

Related takes over nearly 8K affordable units across US from Aimco

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The deal involves 51 properties in 16 states

Aimco has left the building – affordable building.

Related Companies has agreed to purchase all of the real estate investment trust's affordable portfolio. That consists of 8,000 affordable units across 51 properties in 16 states, the companies announced Thursday.

The deal is worth \$590 million.

The bulk of the portfolio is in California. It includes 17 properties across the state including four in Los Angeles. They are: Van Nuys Apartments in Downtown, South Bay Villas in Compton, Terry Manor in University Park, and Casa De Las Hermanitas in Boyle Heights, according to sources involved in the transaction.

It also includes five properties in Illinois including the Northpoint Apartments in Chicago's Roger Park neighborhood and the Parkways Apartments in the Jackson Park Highlands neighborhood.

New York-based Related's affordable division – Related Affordable – plans to keep those units affordable. It will rehab and implement "preservation plans" for each property once the sale closes sometime this fall, the company said.

The sale does not include any properties in New York City, where Related Affordable is active, but does include one in Beacon, New York.

Aimco will use the proceeds from the sale to pay back a debt on a property in San Francisco, leaving it \$512 million the company plans to use to fund previous investments in Virginia and Philadelphia, according to an Aimco release. The Denver-based REIT announced its plan to exit the affordable market in 2011.