

NATIONAL TRUST COMMUNITY INVESTMENT FUND

PROJECT HIGHLIGHTS

PROJECT GOAL:
Rehabilitation of former
newspaper headquarters
into offices and retail space

DEVELOPER:
Venerable Properties

**BUILDING OWNER / PROJECT
CO-SPONSOR:**
Dr. Peter Nathan

TAX CREDIT INVESTOR:
Bank of America CDC

TOTAL DEVELOPMENT COST:
\$11,000,000

KEY PROJECT FINANCING:

\$2,100,000

*Tax credit equity investment
(federal historic and New
Markets) from the
National Trust
Community Investment Fund*

\$5,400,000

*First mortgage from
West Coast Bank*

\$1,000,000

*Seismic renovation loan from
PDC*

JOBS CREATED:
Construction - 40
Permanent - 46

Telegram Building, Portland, OR



BACKGROUND

The Telegram Building in Portland, Oregon was built in 1922 to house the city's evening newspaper. Handsome with its red brick exterior and grand clock tower, the property was troubled by vacancy in recent decades once newspaper operations ceased. The building was rescued from disrepair when a local doctor partnered with a Portland developer to convert it to office and retail space.

THE PROJECT

This Georgian Revival structure, with its red brick exterior, clock tower, terra cotta main entrance and Corinthian capitals cuts an imposing figure on the western edge of the Central Business District. It is a three-story building of approximately 33,000 square feet. A fourth floor was constructed along with a bi-level underground parking garage. The first two floors are for retail while the upper floors are primarily used for office space. The rehabilitation included substantial seismic upgrades and the restoration of the clock tower and other key architectural features.

NEW MARKETS TAX CREDIT SOLUTION

The New Markets tax credits provided approximately 31% additional equity to the project, helping to reduce debt service costs.

COMMUNITY IMPACT

The adaptive reuse of the Telegram Building, coupled with the growth of the nearby Pearl District and its proximity to downtown Portland, spells better times for the surrounding neighborhood. This low income community is a designated Federal Enterprise Community, a SBA HUBZone and a medically underserved area. Its poverty rate is 50%, average family income is 40% of the area median and unemployment is 3.2 times the national average.

Currently, the area has a mixture of well-maintained properties and those in need of repair. This is evidenced by the building's closest neighbors, which include the thriving Mark Spencer Hotel, a vacant lot and a surface parking area. The revitalization of the Telegram Building not only assists in further stabilizing the neighborhood but also helps link the development of the Pearl District to downtown.

"In hindsight, I don't think the deal could have worked without the National Trust Community Investment Fund."

Art DeMuro
Project Manager and President,
Venerable Properties

FOR MORE INFORMATION, PLEASE CONTACT

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