

## Feds front Mastercraft Starwood \$86.4M for Ottawa rental tower

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A luxury homebuilder is receiving more than \$86 million from the Canada Mortgage and Housing Corp. to help finance its under-construction residential tower in Little Italy.

The 30-storey, 250-apartment SoHo Italia mixed-use building is located at 500 Preston St., just north of Carling Avenue.

Developer Mastercraft Starwood is receiving the funds through CMHC's rental construction financing initiative, a program that provides loans on favourable terms to homebuilders constructing energy-efficient, affordable housing.

CMHC typically defines "affordable" rentals as buildings in which at least 20 per cent of the units are priced at less than 30 per cent of the median total income of all families in the area. Additionally, the total residential rental income must be at least 10 per cent below the property's gross achievable residential income.

Landlords must typically maintain that pricing for a decade as a condition of the loans issued by the CMHC program.

Mastercraft Starwood has constructed several condominium projects in Ottawa over the past decade, including buildings on Parkdale Avenue and Lisgar Street as well as on Champagne Avenue, near its SoHo Italia site on Preston Street.

The project had been in the planning stages for more than seven years before construction crews began excavation work earlier this year. Ottawa-based contractor Bassi Construction is leading the building efforts.

As of last year, the vacancy rate in the wider neighbourhood around the SoHo Italia development – which also includes Chinatown, Hintonburg and the north end of Westboro – was 2.3 per cent, according to the CMHC.