

Posted: Oct 6, 2021

\$9.5 Million in LIHTC Financing Closed by Hunt Capital Partners for APG to Acquire and Rehabilitate Senior Housing Near Los Angeles

LA PUENTE, Calif., Sept. 30, 2021— Hunt Capital Partners has teamed with developer Alliance Property Group Inc. and the Los Angeles County Development Authority to close \$9.5 million in Low Income Housing Tax Credit equity for the acquisition and rehabilitation of 95 LIHTC units for seniors in a mixed-use neighborhood in the northern part of La Puente, which is located in Los Angeles County about 18 miles east of the city.



Once the rehabilitation is complete, the 1.64-acre Sunny Gardens development, which dates to 1992, will continue to offer 95 one-bedroom units to senior households. However, the income restrictions will adjust so that 88 units are set aside for senior households earning up to 30% of area median income (AMI) and six units are set aside for senior households earning up to 60% of AMI.

“APG owns over 1,100 units of multifamily affordable rental housing in California, Nevada, and Arizona and has a track record of success with acquisition/rehab developments,” said Hunt Capital Partners Executive Managing Director Dana Mayo. “We are glad to have such a strong development partner and pleased our investment helps to preserve the longevity of this affordable housing complex for seniors.”

Unit amenities include a balcony/patio, blinds, carpeting, wall air conditioning, coat closet, grab bars, handrails, and pull cords. Common amenities include a clubhouse/community room, elevators, off-street parking, on-site management, central laundry facilities, and a courtyard/picnic area. Site improvements include removing and replacing landscaping, asphalt parking lot repair, removal and replacement of damaged concrete sidewalks, and new BBQ and picnic areas. Exterior and common area improvements include carpentry repair, modification of office and community space for accessibility, and new HVAC systems for office and community rooms.

Besides Hunt Capital Partners and APG, other parties in the redevelopment include general contractor Day Builders Inc., management agent FPI Management Inc., and architect Musser:

Architects Inc. Construction is expected to take 11 months and total project costs are estimated at \$33.6 million.

Hunt Capital Partners syndicated the federal tax credits through its multi-investor fund, Hunt Capital Partners Tax Credit Fund 41. HUD provided a \$21 million 221d(4) construction to permanent loan; RBC Capital Markets a \$13 million tax-exempt construction bond bridge loan; HCP Bond Investors a \$3 million subordinate tax-exempt construction bond bridge loan; and Los Angeles County Development Authority a soft construction permanent loan of \$1 million.

“The Partnership’s acquisition of the Sunny Garden Apartments will most importantly preserve affordable senior housing in the City of La Puente, where the existing units were at risk of converting to market rate in July 2022,” said Danielle Bennett, President of APG. “Various financial institutions including Hunt Capital Partners played key roles in completing the acquisition. Century Housing Corp. (via the Century California Fund LLC) and Rose Community Capital LLC (via the IMPACT Mortgage Opportunities Fund, L.P.) provided bridge financing for the initial acquisition by Alliance Property Group Inc. in April 2020. Rose Community Capital served as the FHA lender facilitating the HUD financed FHA 221d(4) 40-year loan. Ultimately, the overall feasibility of the project was made possible by the Los Angeles County Development Authority. LACDA awarded the Sunny Garden Apartments project-based vouchers for 88 units in addition to a capital loan as part of an accepted Notice of Funding Availability application issued in 2019.”

About Hunt Capital Partners

Hunt Capital Partners (HCP) is the tax credit syndication division of Hunt Companies, Inc. (Hunt). HCP specializes in the sponsorship of Federal and State Low-Income Housing, Historic, and Solar Tax Credit Investments funds. Since its inception in 2010, HCP has raised over \$2.4 billion in tax credit equity in over 40 proprietary and multi-investor funds. HCP manages almost 760 project partnerships representing over 75,000 homes in 51 states and territories. Founded in 1947, Hunt is a privately held company that invests in businesses focused in the real estate and infrastructure markets. The activities of Hunt’s affiliates and investors include investment management, asset management, property management, development, construction, consulting and advisory. For more information on HCP, please visit www.huntcapitalpartners.com, or for Hunt, please visit www.huntcompanies.com.