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Hunt Capital Partners Syndicates \$9.89 Million for 192-Unit Affordable Development in Texas

CHANNELVIEW, Texas, Aug. 25, 2020— Hunt Capital Partners, in collaboration with LDG Multifamily and Harris County Housing Authority (HCHA) Redevelopment Authority, announced the closing of \$9.89 million in federal low-income housing tax credit equity financing for the new construction of the Hollows Apartments. The development is located 17 miles northeast of Houston in Channelview, Texas. Situated on 7.5 acres, the Hollows Apartments will feature three, three-story walk-up and three, four-story elevator-serviced buildings that contain 192 affordable housing units for income-qualified families. Fifteen apartments will be set aside as supportive housing units, for which tenants will be sourced in cooperation with local service organizations.

LDG Multifamily LLC is co-developing the Hollows with HCHA Redevelopment Authority Inc., an affiliate of the Harris County Housing Authority. Xpert Design and Construction LLC is the prime subcontractor; Kelly Grossman Architects LLC is the project architect; and Capstone Real Estate Services Inc. is the property management agent. The development team will break ground on the Hollows in September and construction work is scheduled for completion by March 2022.

“We are glad to work with LDG Multifamily again and appreciate LDG arranging an opportunity to partner with the Harris County Housing Authority,” said Hunt Capital Partners Executive Managing Director Dana Mayo. “Harris County was substantially affected by Hurricane Harvey in 2017 and Tropical Storm Imelda in 2019. We are proud to put together a deal that not only leverages tax credits, but also Community Development Block Grant–Disaster Recovery funds to construct 192 new affordable units that will aid in the long-term recovery of the region.”

Once construction work is finished, the Hollows will offer 36 one-bedroom, 84 two-bedroom, and 72 three-bedroom units restricted to family households earning up to 30, 50, and 70 percent of the area median income. Candidates for the fifteen supportive housing units will be selected through a local continuum of care coordinated access system, which is anticipated to be The Way Home, whose mission is to prevent and end homelessness across cities in Texas.

All residents will benefit from additional programs that will comprise child, adult, health, community or transportation supportive services. Tenants will also have access to community amenities, including a community room, business/computer room, fitness center, swimming pool, playground, picnic area, off-street parking (including some garages), and on-site management.

The total development cost for the Hollows is \$39.25 million. Hunt Capital Partners will syndicate the federal tax credits into multi-investor funds, including Hunt Capital Partners Tax Credit Fund 37, which closed with its investors in June 2020. Other financing sources include Citibank who provided \$20 million in tax-exempt construction-to-permanent financing via the purchase of bonds issued by the Harris County Housing Authority Public Facility Corporation and \$1.58 million in construction financing via taxable bonds. Harris County Community Services Department provided \$11.12 million in financing using Community Development Block Grant–Disaster Recovery funds.

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 \$2.2 billion in tax credit equity in over 40 proprietary and multi-investor funds. HCP manages almost 800 project partnerships representing over 80,000 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.