

Posted: Jan 8, 2020

Atlanta Housing and Hunt Break Ground on Herndon Square in Atlanta

El Paso, TX (January 8, 2020) – City and development officials gathered to break ground for hundreds of affordable housing units slated for Atlanta's Westside.

Herndon Square is located on 12.3 acres of the former Herndon Homes public housing site, located at Cameron Madison Alexander Boulevard and Northside Drive on Atlanta's Westside. The Atlanta Housing Board of Commissioners in 2016 selected Hunt and Oakwood Development Group as the team to redevelop the site into a high-quality, mixed-income, and mixed-use complex.



“Hunt is proud to be a partner on the redevelopment of this significant site in the heart of West Atlanta,” said Sinclair Cooper, President, Public Infrastructure – Development at Hunt. “This groundbreaking was the result of a collaborative effort that has required hard work and coordination by many who are committed to delivering a community that improves connections, offers more jobs for the local area, and provides quality homes for all. Hunt’s partners on this project are some of the best in the industry and will ensure that Herndon Square is an asset to the City of Atlanta and its residents.”

The estimated \$166 million development consists of five phases, with the first, Herndon Square Seniors Phase 1, to include 97 affordable units for seniors 62 and older who earn up to 60 percent of the area median income (AMI). This phase will offer five ADA-compliant accessible units and two units for households with hearing or visual impairments. Phase 1 will also provide free services to tenants, including organized social gatherings, senior-focused enrichment classes, and health/nutrition focused educational courses.

The financial closing for Herndon Square Seniors Phase 1 occurred on December 18, 2019. Hunt Capital Partners, the syndication division of Hunt Companies, facilitated the investment of \$12.66 million in federal and state low-income housing tax credits through its multi-investor fund, Hunt Capital Partners Tax Credit Fund 31. The \$24 million development budget for Phase 1 was also financed by tax-exempt bonds issued by Invest Atlanta and a ground lease first and second priority mortgage from

Atlanta Housing. During operations, AH will also provide project-based rental assistance for 100 percent of the senior units under its HomeFlex subsidy program.

“Atlanta Housing is in a unique position because we own the land and have funds available to provide construction and permanent financing at competitive rates,” said Tiffany Wills, Vice President of Real Estate Development at Atlanta Housing. “Those factors allowed us to design a financial structure to support the construction and operation of 100 percent of the units in Phase 1. It’s a true example of how public-private partnerships can secure long-term affordability in the city.”

The innovative site plan includes a variety of building types and bedroom sizes for single professionals, families, and seniors. Phases 1 through 4 will include Land Use Restrictive Covenants securing affordability on the site for a minimum of 30 to 40 years. The development program also includes plans for approximately 681 rental units and 32 for-sale townhomes in Phase 5, with 45 percent of the units projected to be affordable for households earning up to 80 percent of AMI. Qualifying homebuyers earning less than 80 percent AMI will receive AH’s down payment assistance up to \$25,000. The development, expected to be completed in 2027, also includes green space, approximately 36,500 square feet of retail and a 10,000-square-foot health and wellness space.

Hunt affiliates involved in the development include Hunt Development Group as master developer, Hunt Capital Partners who secured the low-income housing tax credit financing for Phase 1, Pennrose who will manage the development of the senior and affordable units, and Envolve (formerly LEDIC) who will act as the property manager.

Hunt Companies, Inc.

Hunt is a diversified, family-owned holding company that invests in operating businesses, real estate assets, and infrastructure assets. Since its founding in 1947, Hunt's size and scope have grown substantially while gaining considerable expertise across multiple real asset sectors. Hunt's reputation is built on integrity and performance. Hunt is committed to a culture of transparency for employees, clients, investors, and the communities it serves. Hunt and its affiliates employ more than 7,500 employees across the United States and Europe. Learn more at www.huntcompanies.com.

About Hunt Capital Partners

Hunt Capital Partners (HCP) is the syndication division of Hunt Companies, Inc. (Hunt). HCP specializes in the syndication of Federal and State Low-Income Housing, Historic and Solar Tax Credits. Since the successful launch of its first fund in the fall of 2011, HCP has raised over \$2.0 billion in tax credit equity. For more information on Hunt Capital Partners, please visit www.huntcapitalpartners.com.

About Pennrose

With nearly 50 years of experience, Pennrose combines quality development and proven management to deliver exceptional lifestyle-centered communities for its residents. With the superior knowledge and unparalleled dedication to get the job done right, Pennrose develops and operates both conventional, affordable, and mixed-use communities throughout the Eastern and Midwestern portion of the United States. For more information visit www.pennrose.com.

About Envolve

Envolve LLC (formerly known as LEDIC Realty Company) is a vertically integrated multifamily real estate company engaged in third-party management, ownership, and redevelopment (specializing in affordable and workforce housing). Envolve is committed to its tagline of “Making Communities Better Together” which represents the positive impact of community involvement by our residents and nearly 1,000 employees. For more information, please visit www.envolvellc.com.