

Posted: Apr 13, 2021

Hunt Capital Partners and Community Development Partners Close 50-Unit Affordable Development in Southern California

Hunt Capital Partners and Community Development Partners announced the closing of \$8.5 million in federal low-income housing tax credit equity financing for the new construction of St. Michael's Community Housing in Riverside, Calif. Located 60 miles east of Los Angeles, St. Michael's Community Housing is a two-story, 50-unit garden-style development that includes one- and two-bedroom units set aside for households earning up to 30, 50, 60 and 80 percent of the area median income (AMI). St. Michael's Community Housing is adjacent to St. Michael's Church, though the project does not own or lease the church.

The affordable housing crisis is acutely felt in Riverside County, which needs approximately 66,000 more affordable rental homes to meet the needs of its lowest-income renters, according to a California Housing Partnership 2017 report. The construction of St. Michael's Community Housing moves the county closer to achieving this goal.

"Riverside County's lowest income renters spend about 68 percent of their income on rent," said Hunt Capital Partners Executive Managing Director Dana Mayo. "We are pleased to invest in the development of St. Michael's Housing Community, which will provide multiple housing options for low-income families and help alleviate the cost-burden of rising rents. We also thank the city and the state for their financial support of this development."

Community Development Partners' team includes Precision General Commercial Contractors Inc. as the general contractor. Escher GuneWardena Architecture Inc. is the project architect. FPI Management Inc. is the property management agent. The groundbreaking for St. Michael's Community Housing is set to take place in the coming weeks and construction is scheduled for completion in April 2022.

Upon completion, St. Michael's Community Housing will offer 24 units at the 30 percent AMI level, one unit at 50 percent AMI, 14 units at 60 percent AMI, 10 units at 80 percent AMI, and one non-revenue manager's unit. Amenities will include a patio/balcony, central air conditioning, a full appliance package, as well as access to a clubhouse/community room, on-site management office, a picnic and recreation area, WiFi and central laundry rooms. Residents will also be able to share

certain common amenities with the St. Michael's Church across the street, including its chapel, community gardens and parking spaces.

St. Michael's Community Housing also has a soft set aside of 24 units for residents who are eligible for Permanent Supportive Housing (PSH) under the "No Place Like Home" program; these units will also benefit from a Section 8 Housing Assistance Payments (HAP) contract. The PSH apartments will be considered "floating units" for adults with serious mental illness or children with severe emotional disorders and their families, who are homeless or at risk of chronic homelessness. Riverside County Coordinated Entry System will refer applicants either directly or indirectly through the Riverside University Health Systems – Behavioral Health, who will also provide all services needed for the "No Place Like Home" tenants. Additionally, Mercy House Living Centers, managing general partner for the development, will provide supportive services—such as a service coordinator as well as adult education, health and wellness, and skill building classes—for all residents.

Development costs for St. Michael's Community Housing amounted to \$19.7 million. Hunt Capital Partners syndicated the federal tax credits through its multi-investor fund, Hunt Capital Partners Tax Credit Fund 41. BBVA Mortgage Corporation provided \$11.46 million in construction financing. Citi Community Capital provided \$4.87 million in permanent financing. Other sources include a City of Riverside soft loan of \$2 million and a California Department of Housing and Community Development soft loan of \$4.3 million.

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 \$2.3 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.