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Hunt Capital Partners Closes on \$8.5 Million of LIHTC Equity Financing to Acquire and Rehabilitate 163 Units of Affordable Rental Housing in California

PALM DESERT, Calif. June 3, 2021— Hunt Capital Partners and developer D.L. Horn and Associates have closed on more than \$8.5 million in federal Low Income Housing Tax Credit equity financing for the acquisition and rehabilitation of 163 units of affordable multifamily housing in Palm Desert.



The Hovley Gardens project consists of 16 two-story walk-up residential buildings and one community building in the northern part of Palm Desert, Riverside County, Calif. Of the 163 units, 72 are two-bedroom units, 72 are three-bedroom units, 18 are four-bedroom units, and there is one three-bedroom manager's unit. Eighteen of the units will be restricted to households earning up to 30% of area median income (AMI), 55 units will be restricted to households earning up to 45% of AMI, 82 units will be for households earning up to 50% of AMI, and seven units will be for households earning up to 60% of AMI.

“There are few comparable family affordable housing opportunities in Palm Desert, and the project's homes are very desirable,” said Dana Mayo, Executive Managing Director of Hunt Capital Partners. “Hovley Gardens consistently maintains a three-year waiting list and that demonstrates very strong demand for the units, driven by the tenants' perception of value.”

The rehabilitation of Hovley Gardens will include improvements to the building systems, common areas, and community spaces. The landscaping will be upgraded with drought-tolerant materials to minimize water use. Exterior lighting will be replaced with energy efficient models. Within the units, cabinets will be replaced in accessible units and refurbished in standard units. All countertops, sinks and faucets will be replaced. Flooring will be replaced with vinyl plank throughout. Appliances will be replaced in the majority of units. Twelve units will be converted to fully accessible, and the five existing accessible units will be modified to be compliant with current regulations.

Besides developer D.L. Horn, other participants in the project are ConAm Management Corp. (the Management Agent), Multi-Family Builders (the Contractor), Yepiz Construction, Inc. (the

Construction Manager), and Derra Design, Inc., (the Architect).

Development costs at Hovley Place total \$20.4 million. Bank of the West provided an \$11.2 million construction loan, California Community Reinvestment Corp. provided \$5.5 million in financing for a permanent loan, and the City of Palm Desert provided a \$5.2 million subordinate acquisition-to-permanent loan. Hunt Capital Partners syndicated the tax credits through its multi-investor fund, Hunt Capital Partners Tax Credit Fund 41.

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 its inception in 2010, HCP has raised over \$2.4 billion in tax credit equity.

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.