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Hunt Capital Partners Commits \$15.8 Million in LIHTC Financing for 151-Unit All-Electric Denver Development

DENVER, Feb. 13, 2023 – Hunt Capital Partners, in collaboration with Lexton McDermott and the Kentro Group, announced the closing of \$15.8 million in federal low-income housing tax credit (LIHTC) equity financing for the new construction of Krisana Apartments. Krisana Apartments will offer 151 high-quality, all-electric homes at affordable rents to low-income families in Denver, CO. The mix of housing options will introduce 21 studio, 71 one-bedroom and 59 two-bedroom affordable homes to family households earning up to 60% of the area median income. Of the 151 affordable homes, eight will be designated as fully accessible and twelve will be reserved for those with audio or visual impairments. The creation of Krisana Apartments represents the city’s plan to cut emissions resulting from traditional heating and cooling which, according to S&P Global, account for more than 60% of the city’s 2019 greenhouse gas emissions.

“Krisana Apartments will bring over 150 low-income families much needed affordable and fully climate-controlled homes in Denver. It also serves as a model for what sustainable housing focused on clean energy can look like,” said Hunt Capital Partners Managing Director of Investor Relations Amy Dickerson. “With support from the city’s forward-thinking pilot program, the development features a notable all-electric component that makes it one of the first of its kind for affordable housing nationwide.”



Having been rewarded with an inaugural grant from the city of Denver through the New Buildings and Homes Electrification Pilot Program, the all-electric Krisana Apartments serves as a leading example of the city’s effort toward phasing out fossil fuels in both homes and commercial buildings. The all-electric development will forego the use of equipment that utilizes traditional methods of gas and mixed fuel heating and, instead, opt for electricity as the primary source for heating and cooling. Krisana Apartments will be notably built to meet certifiable requirements for the 2018 International

Energy Conservation Code, the 2020 National Electrical Code, 2019 Denver Building Code Amendments, and Accessibility State Laws. Additionally, the development will utilize LED lamps for its interior, exterior, exit, and emergency light fixtures to reduce overall power consumption.

The city of Denver reports that 30% of its housing stock does not have air conditioning, disproportionately occurring in homes that are older, as well as those that are affordable for low-income households. As local temperatures continue to rise due to the global effects of climate change, more residents will need air conditioning as a means for health and safety. The city also reports that the shift toward electrification in housing options also seeks to improve safety for low-income communities, as 30% of low-income Denver homes today fail carbon monoxide tests, compared to less than 5% of market-rate homes.

“UMB is very proud to be a part of this transformational development that will provide much-needed high-quality, affordable housing to the area,” said UMB Bank Director of Affordable Lending Tracy Howren.

Upon completion in April 2024, Krisana Apartments will feature one four-story, elevator-serviced midrise building with an enclosed central courtyard. The development will offer full kitchens complete with sinks, garbage disposals, solid surface quartz countertops and Energy Star rated appliances, including full-sized refrigerators, dishwashers, and recirculating hood vents with microwaves. Additional amenities include central A/C, ceiling fans, coat closets, and balconies/patios. Residents will also have access to common area amenities such as communal laundry rooms on each floor, a gym, mail room, trash room, storage rooms, an on-site leasing and management office, and a community room outfitted with an additional kitchen.

Krisana Apartments will offer 120 parking spaces, including seven accessible spaces, two of which are designated as van accessible. Six out of the 120 spaces will be designated as Electric Vehicle (EV) Supply Ready spaces with chargers installed and an additional 18 EV Capable spaces with infrastructure in place for installation of more charging stations in the future. A bike storage room for 26 bicycles will be provided in the parking garage. Additionally, as part of the developer’s overall master plan and long-term vision for a climate conscious and travel-oriented community, there are future plans for the installation of electric-powered Denver B-cycle stations and the creation of bike lanes.

The development team for the affordable housing complex will have Lexton McDermott and the Kentro Group as co-developers. ComCap Management, an affiliate of McDermott Properties, will serve as property manager. Pinkard Construction will be the general contractor. Lewis Himes Associates, Inc., formerly Lewis Associates Architects, is the project architect.

The total development cost for Krisana Apartments is \$44 million. Hunt Capital Partners syndicated

the federal tax credits through its proprietary fund with UMB Bank, Hunt Capital Partners Tax Credit Fund 36. UMB Bank also provided a \$22.7 million tax-exempt construction loan and a \$7.9 million taxable construction loan. Citibank, N.A provided a \$21.1 million forward permanent loan.

Environmental Social and Corporate Governance (“ESG”) Investing

Hunt Capital Partners recognizes that its institutional investors are seeking to increase the social value of their investments to help further their ESG initiatives. An investment in affordable housing not only improves the living conditions of its residents, but it also helps to remove obstacles that stand in the way of creating a healthy, safe and stable home environment for low-income families and seniors. When families spend less on housing related expenses, they have more resources available for other essentials such as food and clothing, or even extracurricular activities and educational programs. One of the most significant benefits to providing quality affordable housing is an increase in an individual’s physical and mental health. Hunt Capital Partners’ affordable housing investments create a lasting effect on the people and communities they serve for generations to come.

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 \$3 billion in tax credit equity in over 48 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.