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Hunt Capital Partners Secures Financing for Affordable Housing Development for Native Hawaiians

KAILUA-KONA, Hawaii, Nov. 10, 2020—Hunt Capital Partners, in collaboration with Ikaika Ohana and Urban Housing Communities LLC, announced the closing of \$16.6 million in federal and \$7 million in state low-income housing tax credit equity financing for the new construction of the Villages of La'i 'Opua in Hawaii. Located in Kailua-Kona, the Villages of La'i 'Opua will offer 60 single-family homes. The development is part of a master planned community situated on 572 acres of land allotted for commercial, community, conservation and residential use.



Villages of La'i 'Opua will be restricted to Native Hawaiian households who earn up to 30, 40 and 60 percent of the area median income. According to the Department of Hawaiian Home Lands, there are about 5,800 Native Hawaiian households on the waiting list for Villages of La'i 'Opua, indicating strong rental demand. The single-family homes will also be under the Villages of La'i 'Opua Association (HOA), which oversees single-family homes to the north and northwest as well as future single-family development sites to the east and southeast. When the 15-year LIHTC compliance period is over, the managing general partner has agreed to sell the units to qualified tenants and the tenants will have a first right of refusal purchase option.

“We are happy to invest in Villages of La'i 'Opua and partner with Ikaika Ohana and Urban Housing Communities once again,” said Hunt Capital Partners Executive Managing Director Dana Mayo. “They are experienced affordable housing developers in the Hawaiian market with a track record of success. About 40 percent of Native Hawaiian households are cost burdened and 15 percent experience overcrowding. Villages of La'i 'Opua will serve to alleviate some of that burden by providing more affordable housing options to Native Hawaiians.”

The development team also includes Coastal Construction Co. Inc. as general contractor, Design Partners Incorporated as project architect, and ThirtyOne50 Management LLC as property manager. The development team broke ground on Villages of La'i 'Opua in October 2020, and construction is

scheduled for completion in October 2021. When completed, Villages of La'i 'Opua will provide 27 two-bedroom, two-bath units, 26 three-bedroom, two-bath units, and six four-bedroom, two-bath units as well as one three-bedroom exempt manager's unit. All homes will include a lanai as well as modern appliances and amenities.

The total development cost for Villages of La'i 'Opua is \$37.96 million. Hunt Capital Partners facilitated the federal tax credits through its multi-investor fund, Hunt Capital Partners Tax Credit Fund 37. The state tax credits will be syndicated through Fund 37, with Monarch Private Capital as the investor, and through Hunt Capital Partners Tax Credit Fund 38, a proprietary fund. American Savings Bank provided a \$19.87 construction loan and a \$1.55 million permanent loan. The Department of Hawaiian Home Lands provided a \$5 million Housing Trust Fund loan. Hawaii Housing Finance and Development Corporation provided a \$7.62 million Rental Housing Revolving Fund permanent loan.

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.