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Hunt Capital Partners Preserves 51-Unit Los Angeles Affordable Housing Development

LOS ANGELES, March 29, 2022 – Hunt Capital Partners, in collaboration with local non-profit Brookmore Apartment Corporation, announced the closing of \$10.13 million in federal low-income housing tax credit (LIHTC) equity financing for the acquisition and rehabilitation of Towne Square Apartments. Located in Los Angeles, Calif., Towne Square Apartments comprises of three, two-story, garden-style buildings originally constructed in 1962 and renovated in 2001. Following the completion of the rehabilitation, Towne Square Apartments will continue to offer its 50 affordable one-, two- and three-bedroom units reserved for households earning up to 45 and 50 percent of the area median income; the development also offers an additional unit for a property manager.



Already fully occupied with a waiting list of 100 applicants, Towne Square Apartments meets a critical need in the area. Located 10 miles south of downtown Los Angeles, the cost of housing in the surrounding area is 75 percent higher than the national average, according to research from Payscale. At the same time, the poverty rate is 22.7 percent, nearly doubling the national average, according to the U.S. Census Bureau. Because all affordable units will continue to benefit from a 20-year, Project-Based Section 8 Housing Assistance Payments Contract, residents will only pay 30 percent of their income toward rent, making the remainder of their income available to meet other needs.

“Preserving properties like Towne Square Apartments, ensuring they remain affordable for low-income residents to improve their quality of life, is at the heart of our LIHTC investments,” said Hunt Capital Partners Executive Managing Director Dana Mayo. “We are glad to partner with Brookmore Apartment Corporation and uplift the Los Angeles community through affordable housing.”

Towne Square Apartments’ sponsor, developer and guarantor is Brookmore Apartment Corporation, a non-profit organization formed in 1989 and headquartered in El Monte, Calif. Brookmore engaged Front Porch Communities and Services as development consultant; TDM Architects Inc. as project architect; Precision General Commercial Contractors Inc. as general contractor; and CARING

Housing Ministries Inc. as management agent.

Once completed in September 2023, Towne Square Apartments will include 18 one-bedroom, 29 two-bedroom and three, three-bedroom units, including six fully accessible ADA units and three units for individuals with visual and hearing impairments. Tenants will benefit from upgraded in-home amenities, including central air-conditioning and Energy Star appliances, as well as a central laundry facility and off-street parking. Life Skills Training and Educational Programs Inc. ("LifeSTEPS") will also provide supportive services that include adult educational classes and health and wellness services and programs.

The total development cost is \$29 million, which includes \$12.1 million of acquisition costs and \$9.4 million of hard costs related to construction and rehabilitation. Hunt Capital Partners facilitated the investment of federal LIHTCs through its multi-investor fund, Hunt Capital Partners Tax Credit Fund 43. To finance the rehabilitation of Towne Square Apartments, Citi Community Capital provided an \$11.38 million construction loan and a \$7.92 million 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 \$2.6 billion in tax credit equity in over 43 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.