

CASE STUDY

FINANCING FOR HIGHLAND PLACE TOWNHOMES

JUNE 25, 2024



\$11,139,000 | MULTIFAMILY HOUSING REVENUE BONDS | SERIES 2024

Louisiana Housing Corporation | Richwood, Ouachita Parish, Louisiana

HIGHLAND PLACE TOWNHOMES

Client Profile

The Developer for the Project is Highland Place Townhomes Developer, L.L.C., a Louisiana limited liability company (the “Developer”). Standard Enterprises is a member of the Developer. Pursuant to a development agreement with the Borrower, the Developer will perform certain services related to the development and financing of the Project and receive fees for such services.

The Project & Structure

The Project is a new construction of 70 townhouse-style residential apartment units situated in seven two-story buildings known as Highland Place Townhomes located in the Town of Richwood, Ouachita Parish, Louisiana.

Unit amenities include: refrigerator, stove with oven, dishwasher, central air conditioning, and washer and dryer.

Project amenities include a playground and 164 parking spaces.

Construction of the Project is expected to be completed within approximately 12 months.

The Bonds have a maturity date of July 1, 2045, and are structured with a mandatory tender at the earlier of the Conversion Date (February 1, 2027, at the earliest) and the Initial Mandatory Tender Date (July 1, 2027).

Prior to the mandatory tender in connection with the delivery of the permanent loan at the conversion date, the Bonds will be in the Cash Collateralized Mode.

During the Cash Collateralized Mode, the Bonds will be secured by funds, including Bond proceeds, on deposit with the Trustee, sufficient, with interest earnings thereon (without the need for reinvestment), to pay all the interest on the Bonds when due and to pay the principal of the Bonds.

Prior to the mandatory tender, the Bonds will have semi-annual interest payments with a 30 / 360 interest accrual.

On the tender date, Bonds may be redeemed in part to reduce the outstanding principal balance and, thereafter, delivered to Cedar Rapids Bank and Trust Company (the “Permanent Lender”). If the Bonds are remarketed on the Initial Mandatory Tender Date, the terms and security for the Bonds may differ materially, pursuant to the permanent financing.

The Bonds are rated “Aaa/VMIG 1” by Moody’s.

Pricing Results

Stifel served as the sole underwriter for this transaction.

The Bonds were publicly offered and sold at a premium with a 5.00% coupon and 3.79% yield.

Stifel was able to connect with a variety of investors across multiple states to sell these bonds.

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