CASE STUDY

FINANCING FOR CEDAR RIDGE TERRACE APARTMENTS

AUGUST 7, 2024

$29,735,000 | MULTIFAMILY HOUSING REVENUE BONDS | SERIES 2024A

San Antonio Housing Trust Public Facility Corporation | San Antonio, Texas

CEDAR RIDGE TERRACE APARTMENTS

Client Profile

Brooks Senior Developer LLC, a Delaware limited liability company (the "Developer"), will act as the developer for the Project. The Developer is an affiliate of LAC. The Class B Limited Partner is controlled by principals of Lincoln Avenue Communities ("LAC"). LAC and certain of its affiliates were created in 2016 and has six years of experience in affordable housing development. LAC controls more than 23,000 affordable units in 22 states.

The Project & Structure

New construction, of a 239-unit multi-family housing facility known as Cedar Ridge located in San Antonio, Texas.

Common area improvements include: an office, a lounge, exercise room, office equipment for tenant use, and meeting rooms.

Site amenities include: swimming pool, dog park, landscaped courtyards between buildings with picnic areas to grill out or have large gatherings, a community garden, and walking paths to encourage outdoor physical activity.

Construction of the Project is anticipated to commence in August 2024 and expected completion in approximately 22 months.

The Bonds are structured as long-term bonds secured by a FNMA MBS with a April 1, 2043, Bond Maturity Date.

The Bonds have semi-annual interest payments that commenced on April 1, 2025, with a 30/360 interest accrual and semi-annual principal payments commencing October 1, 2030.

This deal is a forward delivery with the MBS expected to be delivered by the MBS Delivery Date, September 25, 2027.

The Servicer will collect mortgage payments on the MBS and pass-through principal and interest payments to the Trustee, who will make interest and principal payments to the Bond Holders when due.

The Bonds are rated "Aaa" by Moody's.

There was a corresponding series of cash collateralized bonds, Series 2024B, that was included in this deal to meet the 50% test.

Pricing Results

Stifel served as the sole underwriter of this transaction.

The Bonds were publicly offered and sold at par with a 4.45% coupon.

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

CONTACT

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