

CASE STUDY

FINANCING FOR RIVERVIEW TOWERS APARTMENTS

FEBRUARY 23, 2024



\$35,000,000 | MULTIFAMILY CONDUIT REVENUE BONDS | SERIES 2024 B

New Jersey Housing and Mortgage Finance Agency | Camden, New Jersey

RIVERVIEW TOWERS APARTMENTS

Client Profile

The first developer is SAC Riverview Towers Developer LLC, a New Jersey limited liability company (the “SAC Developer”), with its head office located in New York, New York. SAC Developer was started in 2023 and is wholly owned by Sena Affordable Communities LLC (“Sena”), whose members have more than 40 years of experience in affordable housing development. The members of Sena have owned, developed, and/or managed approximately 1,900 units in various cities throughout New Jersey and have developed over 40,000 units, primarily in the New York metropolitan area, which includes New Jersey. The second developer is Riverview Towers Manager Partner LLC, a Delaware limited liability company (the “Riverview Towers Developer”), located in New York, New York. The Riverview Towers Developer was started in 2022 and Riverview Towers Developer is controlled by Tredway Group LLC (“Tredway”) and wholly owned by one or more members of Tredway, who have more than 15 years of experience in affordable housing development. Tredway and its members have owned, developed and/or managed approximately 3,000 units in various cities throughout New York, North Carolina, Ohio, and Pennsylvania. The third developer is Riverview 130 Mickle, LLC, a Delaware

limited liability company (the “Riverview 130 Developer,” and together with the SAC Developer and the Riverview Towers Developer, the “Co-Developers”), located in Wilmington, Delaware. The Riverview 130 Developer was started in 2002 and is controlled by Low Income Housing Corp. (“LIHC”) and Leon N. Weiner & Associates, Inc. (“LNWA”) and is wholly owned by the members of LIHC and LNWA who have a combined 80 years of experience in affordable housing development. LIHC, LNWA, and their members have owned, developed, and/or managed more than 43,000 units in various cities throughout New Jersey and have developed 6,945 units in Delaware, Louisiana, Massachusetts, Pennsylvania, New Jersey, New York, and West Virginia.

The Project & Structure

Acquisition and rehabilitation of a 225-unit multi-family housing facility known as Riverview Towers Apartments located in Camden, New Jersey.

Common area improvements include: laundry facilities, community room, fitness room, outdoor landscaped yard with gazebo picnic tables and seating. There are 78 parking spaces for resident use only.

Unit amenities include: upgraded kitchens with new cabinets, countertops, and energy star appliances; upgraded bathrooms with new energy and water conserving fixtures; new

flooring; and high efficiency energy star LED lighting.

Construction commenced in February 2024 and expected completion is in approximately 18 months.

The Bonds are structured as long-term bonds secured by a GNMA MBS with a December 20, 2065, Bond Maturity Date.

The Bonds have monthly interest payments commencing March 20, 2024, with a 30 / 360 interest accrual and monthly principal payments commencing January 1, 2026.

Shortly after closing, the Trustee will purchase the GNMA CLC, which will convert to PLC upon project completion.

The Lender will collect mortgage payments on the 221(d)4-insured loan and pass-through principal and interest payments to the Trustee, who will pass those payments through to Bond Holders each month.

The Bonds are rated “Aaa” by Moody’s.

Pricing Results

The Bonds were publicly offered and sold at par with a 5.25% coupon.

The Bonds were initially marketed at a rate of 5.375%. After the order period, the bonds were significantly oversubscribed, and the rate was cut 12.5 basis to a 5.25%.

The Bonds achieved a materially lower interest rate than a traditional taxable 221(d)4.

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