



Leasehold Financing of \$90 Million C-PACE for Class A 504-unit Multifamily Development

Overview

In a high rate environment with high construction costs, the developer of this 10-story luxury multifamily faced additional complexity financing construction on ground leased land and sought to reduce the weighted average cost of capital to allow the project to move forward.

With consent from the lessor, Howard University, CounterpointeSRE provided \$214 million full stack construction financing to the lease with \$90 million C-PACE, lowering the blended rate of this to-be-built multifamily in the Shaw neighborhood of DC. It is structured to allow a delayed start of repayment for the 3 years of construction, providing additional benefits by boosting returns and reducing the risk in development.



Resilient and Sustainable Design

Key sustainability and resilience features include:

- All electric HVAC with RTUs, DOAS, and heat pump VRF systems
- Almost 26,000 sq. ft green roof to manage stormwater.
- ECMs over code are projected to reduce annual energy consumption almost 1.3MWh annually
 - With the D.C. electricity rate at 22.4 c/kWh, the modeled to yield utility savings are over \$25.6 million during the term.

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| Location | Washington, D.C. |
| Asset Class | Class A Multifamily |
| Developer | USEF Lowe East Towers Owner LLC |
| C-PACE Financing | \$90 Million |
| Construction Loan | \$124.1 Million |
| Annual Energy Savings | 1,305,137 kWh |
| Annual Stormwater Managed | 647,721 gallons |
| Annual Carbon Reduction | 1,338 MTCO ₂ e |