

CASE STUDY: MULTI-FAMILY



OPPORTUNITY

Following the purchase of an historic office building that sat vacant for 20 years in the Central Business District of Downtown Baltimore, our sponsor was eager to breathe new life into the building as apartments featuring 231 units, a 12,000 sq. ft. restaurant and 18,000 sq. ft. of retail/office space. Significant renovations were needed to reposition the building from office to multi-family, but that proved to be the easy part. Arranging the financing in a rising interest rate environment where few construction lenders were lending was the real challenge.



SOLUTION

The \$65MM reposition required 5 capital sources including a correspondent life insurance company as senior lender, historic tax credits, historic tax credit bridge financing and sponsor equity. MDEA leveraged their experience with C-PACE financing to fill a \$13.1MM gap in the capital stack that served as a participant in the transaction allowing the senior lender to remain within its legal lending limit and completing the capital stack. The C-PACE financing was utilized to finance the HVAC, lighting, building envelope, insulation, roof, windows, plumbing and soft costs. Delivery of the building is expected in early 2025.

PROPERTY TYPE

MULTI-FAMILY

C-PACE LOAN AMOUNT

\$13.1MM

TOTAL CAPITAL STACK

\$65.1MM

LOAN TYPE

C-PACE

C-PACE APPLICATION

PARTICIPATION

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