

Pearl Point Apartments



OPPORTUNITY:

Rental properties in Rockport, Texas were hard-hit and deemed uninhabitable following Hurricane Harvey. This severely limited housing for the area workforce, furthering the negative impact on the local economy. A Texas developer wanted to pursue multifamily housing as part of the community's disaster recovery.

STRATEGY:

The developer was looking for gap financing for the project and obtained mezzanine financing quotes that were very expensive. In partnership with Stonehill, C-PACE was deemed a better, more cost-effective finance option. However, the location did not qualify, and the county did not have C-PACE. The team at Stonehill worked with the county to opt into the Texas PACE Authorities program and worked with the developer's senior lender to get them comfortable with the C-PACE Structure to find a creative way to get the site to qualify.

RESULTS:

Stonehill closed the deal in approximately 60 days. The PACE loan financed improvements that increased energy and water efficiency, reduced operating costs, created more predictable budgeting, and increased resiliency.

Project impact:

- Approximately 926,000 kWh in electricity savings annually
- Over 3.2 million gallons of annual water savings
- 482 tons of CO2 emissions avoided annually
- 30 TX-PACE project jobs created during construction
- 5 permanent jobs created in year one - additional jobs in second year of operation