

Athens, GA

100 Prince



"100 Prince was an opportunity for our team to bring affordable housing, grocery and local retail to an urban food desert which suffers from high rents and had not seen multi-family residential construction in over ten years. The project financing was complex, and without the New Markets Tax Credit subsidy, this project wouldn't have gotten off the ground. Throughout the process, Tax Advantage Group was instrumental in arranging the NMTC sources and guiding our team along with myriad funders through to a successful closing."

Russ Davis, Jr.
Principal, Homes Urban, LLC

Project

100 Prince is a mixed-use development located in Athens, GA. Athens is well known as the home of the University of Georgia, and the college campus dominates the town. The size and scope of the University has led multifamily developers to ignore the private sector and focus on student housing. This focus resulted in a more than ten-year gap since the last non-student housing project was completed in the city limits. Limited supply has driven prices above the level of affordability for many employees of the University and other local employers. Moreover, the areas surrounding campus where the project is located, have suffered from retail and commercial space focused on student lifestyles and not working-class families, resulting in a food desert in downtown Athens.

This project brings a 10,000 square foot Piggly Wiggly Express grocery store to the area, as well as 34 total units of housing with 10 of those being rent controlled to be affordable for residents earning 80% of the median family income for the area. The project is also creating an additional 10,500 square foot of retail space for local merchants. A second phase of the project is creating additional housing units and retail co-located on the site. The project fulfills the goals of the Athens-Clarke County development plan, by seamlessly blending higher density, multi-story construction on Prince Avenue into lower neighborhood scale housing units on the back side of the property. Finally, the project will revitalize a tract of property which has been dormant since St. Joseph's Catholic Church began moving its school and church operations to the suburbs of Athens in 2007.

Community Financing

With total project costs of \$21.5 million, Homes Urban received \$17.5 million in NMTC Allocation from ESIC New Markets Partners (\$7.5 million) and HEDC New Markets (\$10 million). Project debt was provided by United Community Bank, and Homes Urban provided sponsor equity. The project was originally intended as a market rate development, but the NMTC Allocation allowed Homes Urban to offer a reduced rent to the grocery, thereby enticing them to the Athens community, and also allowed Homes Urban to support the need for affordable housing with 10 rent restricted units. Without the subsidy provided by NMTCs, neither the grocery nor the affordable units would be possible.

TOTAL PROJECT COST:

\$21,500,000

NMTC ALLOCATION:

\$17,500,000

FINANCING COMPLETE:

December 2018

PROJECT SPONSOR:

Homes Urban, LLC

CDES:

HEDC New Markets, LLC / ESIC
New Markets Partners LP

NMTC INVESTOR:

JP Morgan Chase

LEVERAGED LENDER:

HUT Athens, LLC

ADDRESS:

100 Prince Avenue
Athens, GA

CENSUS TRACT:

13059001900

COMMUNITY OUTCOMES:

54,075 SF Urban Grocery Store
10 Affordable Housing Units
78 Direct Jobs

LOW-INCOME COMMUNITY:

Poverty Rate: 44.60%
Unemployment Rate: 7.30%
Unemployment Ratio: 0.88x
USDA Food Desert