

Bayview Lends On Student Housing

Bayview Asset Management has originated \$63.6 million of construction debt and commercial Property Assessed Clean Energy financing for the developer of a student-housing project near **Florida State University**.

The 153-unit Renegade complex, in Tallahassee, will encompass two five-story buildings with ground-floor retail space. They will be connected by a 308-space garage. The developer is a joint venture between affiliates of Denver-based **Charles Street Investment Partners** and **Acres Capital** of Uniondale, N.Y.

CBRE brokered the financing package, which closed on Jan. 26. It consists of a \$48 million construction loan originated via Bayview's **Oceanview Life and Annuity** subsidiary and a \$15.6 million C-PACE loan from its Bayview PACE unit. The loan-to-cost ratio for the total debt package is 67%, based on an anticipated project cost of \$94.6 million.

A nominal amount of the floating-rate Oceanview loan has been funded so far. It has an initial term of two years, plus three single-year extension options. The fully funded C-PACE loan has a fixed-rate coupon and a 30-year term.

Senior lenders sometimes object to C-PACE financings, which are repaid via assessments collected with property taxes. Bayview, of Coral Gables, Fla., noted that wasn't a problem in this case because all the underwriting was handled under one umbrella.

"We believe there are increasing numbers of companies facing delays, if not hitting 'pause' on their projects, and our loan combination can help optimize the capital stack and get things back on track," said **Matthew Philip**, Bayview's head of commercial lending.

The Renegade project, at 501 Chapel Drive, is expected to be completed in the summer of 2024. Plans call for the property manager, **Asset Living** of Houston, to start pre-leasing units this fall.

The 605 beds at the Renegade will be spread among studios and apartments with four to six bedrooms. The property will



offer an indoor/outdoor fitness center, a coworking/study lounge and an indoor recreation area. Its rooftop amenities will include a pool, grills and a Jumbotron video screen. An outdated, 92-bed student-housing building was demolished to make way for the project, after Charles Street acquired it early last year.

The property is at the southeast corner of Chapel Drive and West Call Street, a few blocks west of Florida State University's campus. ❖

COMMERCIAL MORTGAGE ALERT: February 3, 2023

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