



PACE + CONSTRUCTION

# Multifamily Development



**Total Project Cost:** \$58MM

**Total PACE Financing:** \$12MM

**Total Construction Financing:** \$46MM

**PACE LTV:** 12.3% and Combined LTV of 58.1%

**Capitalized Interest Period:** 32 months

**Term:** 26 year amortization

**Bayview PACE provided an innovative combination loan package for the new construction of a 350-unit apartment project in Ferndale, WA.**

# Case Breakdown

Combination of C-PACE and traditional construction mortgage enables start of construction for much needed housing in growing Northwest WA market.

## The Dilemma

The Sponsor was seeking a compelling capital structure for the development of a multifamily project, which would reduce their weighted average cost of capital. Adding a portion of PACE financing to the capital stack helped take interest rate risk off the table while also lowering the blended cost of capital.

## The Solution

Bayview structured a unique combination loan package consisting of a \$12MM CPACE loan and a \$46MM construction loan. Bayview originated the loans via one of its long-standing mortgage brokerage relationships and funded the entire debt stack through its wholly-owned subsidiaries Bayview PACE and Oceanview Life.

## The Results

Bayview closed a critical gap in funding and developed a model that worked for the development. Bayview structured the loan that helped optimize the capital stack. Underwriting was managed under one umbrella, and Oceanview is the consenting senior lender. Bayview is uniquely positioned to structure more of these package loans for the growing demand in commercial real estate amid tightening debt markets.

“Utilizing Bayview’s combination of construction financing programs enabled a successful execution with a great sponsorship team.”  
Bayview Asset Management Senior Originator, Douglas Brandau

New Construction

Renovation/  
Repositioning

Mandated Building  
Upgrades  
(energy or seismic)

Equity/Re finance

Rescue Capital



## The Bayview PACE Difference

- Consistently low rates and fees
- A 3 year plus look back period on PACE-eligible projects
- Longer capitalized interest periods
- Transactions from \$1MM to over \$100MM
- Structuring expertise across the capital stack based on billions of completed transactions

\*may be limited by program availability

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