

RAD and low-cost financing preserve affordable housing in Austin

Property: Gaston Place | Austin, TX

100 units

Property details

1978

Year built

\$2.1 million

Loan amount



The challenge

Public housing in the U.S. is at risk, and Gaston Place was no exception. The Austin, TX, development, which serves low-income earners, seniors, and persons with disabilities, needed \$8 million in renovations. The Housing Authority of the City of Austin (HACA) approached Bellwether Enterprise with the opportunity to take advantage of the Rental Assistance Demonstration (RAD) program to finance much-needed improvements at the property.

The solution

The transaction involved a RAD conversion of an existing public housing project and also used Fannie Mae's Mod Rehab product and a 20-year HAP contract. The low-cost financing allowed for the preservation of essential affordable housing in the city of Austin.

Lender: Bellwether Enterprise
Borrower: HACA
Financing: RAD, Affordable Housing Preservation, Moderate Rehab, 20-Year HAP contract



The result

Major interior renovations totaling \$80K+ per unit included extensive kitchen and bathroom upgrades, and exterior renovations increased access for persons with disabilities. The strong partnership between HACA, Bellwether, and Fannie Mae produced a financial structure that improved the quality of life for residents and preserved much-needed affordable housing in the city of Austin.

