

News Headlines

Wood Partners Secures Financing for City Walk

By: MultifamilyBiz Staff - 6/7/2010



OAKLAND, CA - Wood Partners, one of the nation's largest and most successful multifamily real estate companies, has secured all of the financing necessary to resume the development of City Walk, a marquee apartment and retail project in the heart of downtown Oakland.

Company officials expect construction to begin next week. This milestone marks a dramatic turn-around for City Walk, which has stood partially complete for three years following a bankruptcy filing by the original general contractor. Wood Partners purchased the site just nine months ago, and since then has worked diligently to assemble the financing and regulatory approvals to complete the project.

Located just two blocks from Oakland's City Hall at 1307 Jefferson St., the site is one of the most visible in downtown. Local officials have long had high hopes that the urban infill project would be a key part of the city's ongoing revitalization.

"It's been a long road, with a number of complex issues to resolve, so it's very gratifying to reach this point," said Frank Middleton, director of the West Coast division of Wood Partners. "Now we'll be able to fulfill the potential of this project and deliver a true asset to downtown Oakland."

The new community will include 264 Class-A apartment homes in four six-story buildings, as well as a street-level retail component. Construction could be completed as early as mid-2011.

Wood Partners is uniquely suited to the task of bringing such complex projects to fruition in the most difficult of environments. The fifth-largest multi-family developer in the country, Wood Partners has a successful track record of financing, entitling and building everything from luxury high-rises to attractive work-force housing. Most of its developments are

located in urban, infill locations - a niche that requires a high degree of financial and regulatory expertise.

Wood Partners purchased the highly distressed property of City Walk in late 2009, and then faced the task of raising more than \$30 million in construction debt.

The City of Oakland played a pivotal role in bringing the financing package together, agreeing in April to Wood Partners' request for a \$5 million loan. At that point, Wood Partners had approximately 85 percent of the necessary funding in place. The city loan improved the project's debt-to-equity ratio, which in turn allowed Wood Partners to secure the balance of funding.

"In this economic climate, assembling the right financial package can be difficult," said Wood Partners' Brian Pianca, who is overseeing the project. "The City of Oakland understands what City Walk means to downtown, and stepped in at a critical juncture to help us get it across the finish line."

The project will generate the equivalent of more than 170 full-time onsite jobs, with another 75 to 100 office workers to support construction. Because the project is partially complete with most of the material already purchased and on site, the majority of the \$39 million construction budget will go towards wages.

Upon completion, City Walk will offer area residents the first new apartment homes in the city center in approximately two years. Contemporary in design, with floor-to-ceiling windows, spacious balconies and an array of thoughtful amenities, City Walk will put residents within blocks of thousands of jobs, mass transit and a range of shopping and dining options.

Wood Partners is a national multifamily real estate company that acquires, develops, constructs and property manages high density and mixed-use communities. Through quality construction, responsible land development and intelligent design, its communities reflect the aesthetic and social fabric of the community and provide a luxurious living experience at a fair price. The company has been involved in the development of more than 36,000 homes with a combined value of more than \$4.5 billion. It currently has offices and projects in Arizona, California, Colorado, Florida, Georgia, Maryland, Massachusetts, Nevada, North Carolina, South Carolina, Texas, and Virginia. To learn more about Wood Partners, please visit www.woodpartners.com.