

Estrella at Kiest Affordable Housing Development by ZNE Capital and LeavenWealth closes on \$3.0M Equity Investment from American South Fund Management

The acquisition and renovation of this 232-unit apartment community will help preserve the affordable housing stock in South Dallas



Estrella at Kiest property before development

Dallas, TX – June XX, 2022 – Funding has closed on the acquisition/renovation of Estrella at Kiest, a 232-unit apartment community in Dallas, Texas. The \$35.2M project will be owned and operated by ZNE Capital and LeavenWealth. This is the first multifamily investment in Dallas for [American South Fund Management](#) (ASFM), a partnership between [SDS Capital Group](#) and [Vintage Realty Company](#). Post renovation, all 232 apartment units will be available at rental rates that are affordable to families at less than 80% of the Area Median Income (AMI) level, bringing critically-needed affordable housing to this community.

ZNE Capital and LeavenWealth are already underway on building renovations including repairs to 25 units damaged by the 2021 Cold Wave in Texas and an additional 24 units damaged in a 2021 fire. ZNE's renovation and business model focuses on green-focused upgrades with the installation of roof-mounted solar panels, low flow water fixtures, and electrical upgrades to increase energy efficiency and promote savings at the project as well as costs to tenants. Transitioning the development to a green, sustainable projects is central to ZNE's business philosophy.

“Estrella at Kiest continues ZNE Capital’s mission of decarbonizing existing affordable housing communities,” said Owen Barret, President of ZNE. “This project is living proof that you can decrease the carbon emissions from the built environment and preserve affordable housing.”

The Dallas-Fort Worth Metropolitan Statistical Area (MSA) ranked second in the country for overall population growth within a metro area between July 2020 and July 2021.¹ Accordingly, rents in Dallas have seen a steady increase of 18% over the past year.² The Estrella at Kiest renovation is comprised of 16 two-story buildings located on a 10.5-acre site. The property offers quality multifamily housing including one, two and three-bedroom unit options.

"ASFM is very pleased to finance this impactful project. Estrella at Kiest provides much needed affordable housing and directly aligns with our goal of making a difference for low-income residents and communities throughout the South," said Deborah La Franchi, ASFM Managing Partner. "In a tight housing market like Dallas, it is crucial to preserve and renovate more affordable housing."

"We are thrilled to continue to expand our Texas footprint to Dallas," said David Alexander, ASFM Managing Partner. "ZNE Capital is an excellent partner in the multifamily market and similarly prioritizes investing in projects that create significant impacts within socio-economically disadvantaged areas."

Impact funds managed by ASFM target their impact investments into distressed communities of color within a 10-state footprint across the South. Since 2018, impact funds managed by ASFM have made 18 investments in Texas, Georgia, Alabama, North Carolina, South Carolina, Louisiana and Arkansas totaling \$80.0 million and over \$446 million of project costs to date.

About ZNE Capital:



ZNE Capital is a real estate acquisition and investment group with a strategy to enhance the traditional, multifamily, value-add model by adding onsite renewable energy to disrupt an industry with enormous potential for environmental and social impact. It targets master-metered properties in the Sunbelt. By acquiring the underlying real estate, ZNE becomes the owner and eliminate traditional barriers to implementation, thus rapidly accelerating the adoption of clean technology. ZNE Capital collectively has been underwriting, acquiring, and developing real estate deals for four decades. It has been implementing clean technology across America for the last ten years. The ZNE team collectively has been responsible for the acquisition and development of \$250 million worth of real estate projects and has implemented \$125 million of clean technology projects.

About LeavenWealth Real Estate Investment Group:



LeavenWealth is a privately held real estate investment company with 2,400+ units and \$190,000,000 of assets under management. It focuses on developing truly passive income for investors through the acquisition and management of value-add multifamily properties. Leaven’s deal selection criteria includes seeking motivated sellers and mom and pop operators, and specifically focused on purchasing assets below replacement cost.

¹ <https://www.axios.com/local/dallas/2022/03/31/dallas-fort-worth-2021-population-growth>

² <https://learn.roofstock.com/blog/dallas-real-estate-market#:~:text=robust%20in%202022.-,Key%20Market%20Stats%3A,units%20in%20the%20metropolitan%20area.>

About American South Fund Management, LLC:



ASFM is a real estate impact fund manager focused on investing in transformative projects in 10 states across the Southern U.S. ASFM is owned by Los Angeles-based impact fund manager SDS Capital Group (www.sdsgroup.com) and Vintage Realty Company, a Shreveport, Louisiana-based property developer/manager (www.vintagerealty.com). SDS Capital Group manages [five impact funds](#) and has been selected the past five years as an ImpactAssets 50 investment manager. Founded in 1988, Vintage Realty Company is a leading multi-family and commercial development and management firm with more than 225 team members and projects located throughout the South. The partner firms leverage their combined real estate experience to finance transformative projects that benefit distressed communities of color throughout the South. ASFM's impact funds have made investments in communities that are on average 81% minority and suffer from a poverty rate of 36%. For more information, visit www.asref.com.

Editor Note:

To download Estrella at Kiest photos: [click here](#)

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