

Preston Hollow Capital Completes Bond Funding for Farms of New Kent Development in Virginia

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DALLAS--([BUSINESS WIRE](#))--[Preston Hollow Capital](#) (“PHC”), an independent specialty municipal finance company based in Dallas, today announced the successful issuance of two new series of tax-exempt refunding bonds totaling \$90 million, the proceeds of which cure the previously defaulted Series 2006 Bonds and adds new liquidity intended to fuel and accelerate residential and commercial growth within the Farms of New Kent Development (“the Development”). The Development is a planned, mixed-use community comprised of four separate land tracts situated on 2,113 acres of land within New Kent County, approximately 20 miles east of Richmond, Virginia and 25 miles west of Williamsburg. When complete, the Development is expected to contain 2,525 diverse residential units, including approximately 1,550 age-restricted units, commercial and retail space. The community is complemented by amenities in the Development, including the Viniterra Winery, Talleyville Brewing Company, and the Club at Viniterra – an 18-hole championship golf course designed by Rees Jones.

Ramiro Albarran, Managing Director at Preston Hollow Capital, said, “We are deeply gratified that our work with both the County and project homebuilders, Ryan Homes and DR Horton, has revived what was a stalled effort and catalyzed an exciting and vibrant community in New Kent County. The refunding we have announced today is a key milestone in our long-term commitment to the community, and we are excited to see the future continue to unfold.”

Additional development activity at The Development includes the following:

- **The Arbors**– This D.R. Horton-led development includes the construction of over 300 additional residential family homes in an existing neighborhood that has now grown to over 200 families.
- **The Groves**– Similarly, Ryan Homes has commenced home building on the first phase of The Groves, an active-adult, age-restricted community which is part of 1,164 lots under contract for sale to Ryan Homes. The Groves will augment the existing 155-home Four Seasons age-restricted neighborhood with additional amenities and connectivity. Ryan Homes started its marketing activities and recently closed on the lots for construction of the initial four model homes.
- **Clubhouse and Related Amenities** – Construction of an 8,000 square foot luxury clubhouse with resort-style pool, and an extensive walking and hiking path trail system is underway.

Patricia A. Page, who serves as a Member of the Board of Supervisors for District #3, which includes the Farms of New Kent, added, “I am extremely encouraged by the relationship with Preston Hollow and I’ll continue to work closely as The Arbors and The Groves move from a rendering to a beautiful community reality.”

In 2006, the original developers through Farms of New Kent Community Development Authority issued \$85 million Series 2006 special assessment bonds to finance the construction of certain roads, water and sewer system extensions and other public improvements for the Development. The majority of this infrastructure was completed in 2009. Subsequently, some of the original developers defaulted on their payments of special assessments, ultimately leading to a default of the Series 2006 bonds in 2013 and eventual transfer of approximately 900 acres of the Development’s land to the Series 2006 bond trust.

PHC acquired all the defaulted Series 2006 bonds in 2017 and 2018 and instituted its plan to restart residential and commercial development. Since that time, PHC has worked with the Series 2006 Trustee, the Farms of New Kent Community Development Authority, New Kent County, Ryan Homes and D.R. Horton, among others, to reestablish land development and commence homebuilding throughout the community.

About Preston Hollow Capital

Preston Hollow Capital provides specialized impact financing solutions for projects of significant social and economic importance to local communities in the United States. As a team, we bring a decades-long track record of helping communities achieve their financial, sustainability and community impact goals. We do so through a unique partnership model, rigorous and disciplined credit underwriting and creative investment structuring built around delivering speed, certainty, and flexibility to our borrowers.

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