December 1, 2025
Circulation: 16,897
Ad Equivalency: $28,515

LABUSINESSJOURNAL.COM

LOS ANGELES BUSINESS JOURNAL

Vol. 47, No. 48 — THE COMMUNITY OF BUSINESS™ — December 1 – 7, 2025 • $5.00

REAL ESTATE

Kennedy Zak | kzak@labusinessjournal.com

Firm Will Convert SGV Complex to Affordable

Eagle Partners' first deal as a new division of business.

HACIENDA HEIGHTS

By KENNEDY ZAK *Staff Reporter*

Eagle Real Estate Partners, an affiliate of **Eagle Real Estate Group** in Orange County, purchased The Hills at Hacienda, a 350-unit multifamily property – which hosts nearly 40% of all apartments in Hacienda Heights – in a $107 million deal.

As part of the transaction, which was backed by **Red Stone Equity Partners**, **JPMorgan Chase**, **California Housing Finance Agency** and **Affordable Housing Access**, Eagle Partners will be converting the complex from market rate to affordable housing. First built in 1970, the property has a mix of one-, two- and three-bedroom apartments and recently underwent renovations.

If current tenants exceed the required income for residents, which will be 80% of the area median income in L.A. County, they will not be displaced, said **Shahny Lutfeali**, co-founder and partner at Eagle Partners, which is headquartered in El Segundo.

Lutfeali

Friend

However moving forward, new tenants must fit these income designations to qualify. For a two-person household, this would be an annual income limit of $96,950, according to the county's Department of Regional Planning.

"We're not in the business of displacing residents," Lutfeali said. "But ultimately, our goal, and the way that the regulatory agreement is structured, is that in the future, 100% of the units will be encumbered."

In conducting a demographic report, **Taylor Friend** – also a co-founder and partner – said initial findings show that close to 65% of current tenants would align with the income standards and that he expects the percentage will go up as they finalize their research.

'Long term' affordability

As they stand, the apartments at The Hills at Hacienda are naturally affordable, meaning Eagle Partners will mostly be keeping rents the same though some will be reduced by up to 20%.

Despite rents already being affordable, Lutfeali stressed the importance of looking ahead.

"By putting a regulatory agreement in place, you're preserving affordability for the long term," he said.

Aside from benefits to future tenants with regard to rent protection, Lutfeali said "to acquire an institutional quality asset of scale, irrespective of the affordable component, is a compelling investment."

Friend said part of the draw for the deal was also because of the San Gabriel Valley submarket and Hacienda Heights neighborhood, calling it a "strong workforce housing community (that's) well connected within all the transit nodes of L.A. with a really good, stable tenant base."

The lack of existing supply attracted the firm as well, he added.

Public-private partnership

This transaction marks the second affordable housing preservation equity deal for CalHFA. The first came in May with the $38.3 million acquisition of Nova Apartments, a 126-unit multifamily complex in Rowland Heights.

CalHFA Executive Director **Tony Sertich** said these types of deals fit in well with the state's housing finance strategy.

"CalHFA is continually exploring creative ways to boost and preserve the supply of affordable housing for Californians earning low to moderate incomes," Sertich said in a statement. "We are thrilled to be part of this collaboration that will preserve affordability for so many deserving families."

Partnering with CalHFA helped make the execution of the deal more efficient, Friend said.

"That enabled us to put the regulatory agreement on this asset at close instantly, creating affordable housing overnight, as opposed to … new developments via LIHTC dollars that take time to deliver," Friend said. "It was a really great way to marry the public and private sector to achieve a mutually beneficial outcome."

C/O EAGLE PARTNERS

Multifamily: The Hills at Hacienda Heights traded for $107 million.

EAGLE PARTNERS

EAGLE REAL ESTATE PARTNERS

HEADQUARTERS: El Segundo
YEAR FOUNDED: 2025
BUSINESS: Real estate platform
PARTNERS: Clay Friend, Taylor Friend and Shahny Lutfeali
PORTFOLIO: Owns and manages 1,000 multifamily units.
NOTABLE: A division of Eagle Real Estate Group, Eagle Partners focuses on the acquisition strategy for the broader platform.