



INVESTOR

LABOR'S INVESTMENT CAPITAL AT WORK • FALL 2010

HIT Construction Jobs Initiative:

Over 6,600 Jobs Created to Date; Goal is 10,000 by Spring



William Greenblatt Photography

“This job [the Laurel project] means a lot to me. Without it, I know there’d be a lot of people out of work.”

—Chris Flemming, Laborers Local 42, St. Louis (shown above right)

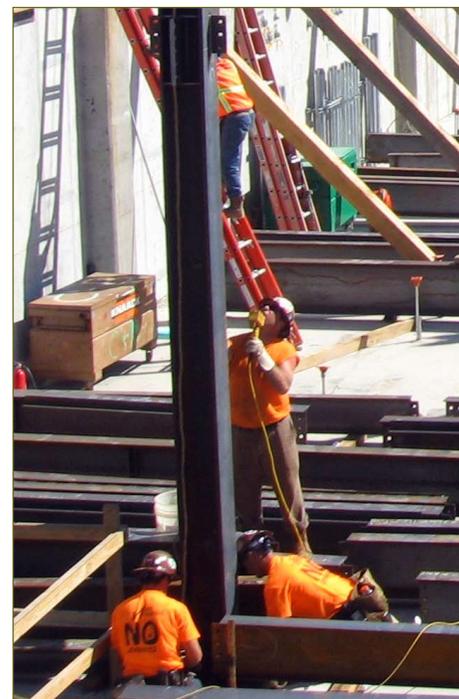
The AFL-CIO Housing Investment Trust (HIT) is two-thirds of the way toward its goal of generating 10,000 union construction jobs by next spring, as a result of recent financing commitments in multifamily housing projects in Boston, Minneapolis, St. Louis, and other cities.

“The HIT is determined to do its part to help put union men and women back to

work,” said Stephanie Wiggins, HIT’s Chief Investment Officer. “Jobs are a top priority for the AFL-CIO, and we are proud to be able to create good jobs in communities across the country while maintaining the HIT’s high investment standards and providing competitive returns to investors.”

Since launching its Construction Jobs Initiative early last year, the HIT has

committed financing for approximately two dozen projects representing more than \$1 billion in total development costs. The investments are generating more than 6,600 union construction jobs. The AFL-CIO and the Building and Construction Trades Department, AFL-CIO, have actively supported the HIT in this effort.



Elizabeth Seton Pediatric Center

Union Ironworkers have begun erecting steel for the \$116 million pediatric center in Yonkers, NY. With \$100 million in HIT financing, the project is expected to create over 800 union construction jobs.

Promoting Economic Recovery: Jobs,

ST. LOUIS: HELPING FINANCE DOWNTOWN REDEVELOPMENT



Park Pacific



The Laurel

The HIT is providing \$108 million in financing for two St. Louis projects that are helping drive the city’s \$500 million downtown redevelopment efforts while creating nearly 2,000 union construction jobs.

The \$98 million **Park Pacific** project will convert the historic Union Pacific Building into a complex featuring 230 market-rate residential units, 31,000 square feet of retail space, and 88,000 square feet of office space. The HIT is providing \$63 million for the project, which is expected to generate over 650 union construction jobs.

A few blocks away, work is underway at **The Laurel**, a \$175 million project that will convert another historic building into a new mixed-use facility while generating over 1,330 union construction jobs. The HIT is providing \$45 million in financing for the project’s 205-unit residential component.



PARKWAY LAKESIDE APARTMENTS O’FALLON, IL



Parkway Lakeside

The \$28.2 million **Parkway Lakeside Apartments** project will bring new multifamily housing to O’Fallon, Illinois, in the St. Louis Metro-East area. The HIT is providing \$26.1 million in financing for the development, which will include 21 two-story buildings offering 232 housing units. Work on the project is expected to generate approximately 185 jobs for union construction workers.

“The AFL-CIO Housing Investment Trust has been a godsend to the city of St. Louis. It’s not only a good return on your money, but it’s putting our membership to work.”

-Gerald Feldhaus, Executive Secretary-Treasurer
St. Louis Building and Construction Trades Council

Housing, Community Development

BOSTON: CREATING TWO NEW OPTIONS FOR PUBLIC HOUSING



*Old Colony
Phase 1*



Washington Beech

The HIT is working with MassHousing to fund the redevelopment of two public housing projects that together will construct more than 170 units of affordable housing in the Boston area.

To help revitalize the **Old Colony** public housing property in South Boston, the HIT will invest \$26.7 million in tax-exempt bonds to help finance construction of 116 units of housing for low-income residents. This will be the first phase of a long-term effort to revitalize the 70-year-

old Old Colony development. The phase one work involves demolishing seven older buildings and replacing them with a mid-rise structure and four clusters of town homes. The total development cost will be \$56.8 million, generating an estimated 320 union construction jobs.

Washington Beech is a HOPE VI redevelopment project to replace deteriorated public housing with affordable rental and homeownership units in Boston's Roslindale

neighborhood. The HIT has committed \$13.5 million to finance one phase of the construction, consisting of 56 affordable rental units in seven buildings. The total development cost of this phase will be \$25.5 million and is expected to generate more than 140 union construction jobs.

Historically, the HIT has invested \$250 million in 30 Massachusetts projects to create or preserve nearly 3,500 units of housing and generate over 3,200 jobs for union workers in the construction industry.

MINNEAPOLIS: BUILDING NEW HOUSING AS PART OF AN HISTORIC SITE



FloCo Fusion

With \$13.5 million of HIT financing, a new 84-unit apartment building is under construction at Florence Court, an historic housing site in southeast

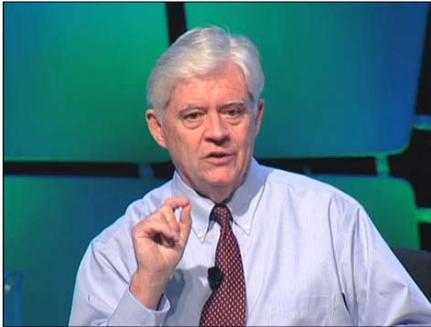
Minneapolis. Named **FloCo Fusion**, the \$16 million development will consist of three attached low-rise buildings with underground parking. Its construction is

part of a redevelopment plan that includes restoration of some of the site's original nineteenth century townhouses. The project is expected to create approximately 100 union construction jobs.

Since 2007, the year the economy went into recession, the HIT has committed more than \$100 million to support nine Minnesota development projects. These investments are promoting economic recovery in Minnesota with the creation of more than 900 union construction jobs and nearly 800 units of housing. Since its inception, the HIT has invested over \$650 million in Minnesota in 69 projects representing 6,800 housing units and 5,500 union jobs.

Coyle Speaks to Bricklayers on Job Creation

“Construction is a vital enterprise for turning this economy around,” HIT CEO Steve Coyle told members of the International Union of Bricklayers and Allied Craftworkers at their convention in September. When unions invest their pension capital to finance construction projects, they are helping to ease the pain of these difficult times, Coyle said.



Steve Coyle says unions should expect their fund managers do what they can to create jobs.

Construction projects are an effective way to stimulate job creation because they help create jobs in both the local economy and in other cities where construction materials are produced. Since the recession began, the HIT has redoubled its efforts to finance job-generating projects. Coyle cited the expected stimulus effect of the 10,000 union jobs that the HIT is striving to



Bricklayers President and recently appointed HIT Board member James Boland introduces the panel on which Coyle spoke.

create through its Construction Jobs Initiative. The impact of those 10,000 HIT-financed jobs will ripple through the economy to help generate at least 39,000 jobs altogether, he said.

Unions have a right to expect union-friendly funds like the HIT to do what they can to respond to the economy and help create jobs for union members, Coyle said. He described the HIT, with its competitive performance record, as a high road investment opportunity for union pension funds.

An excerpt of Coyle’s presentation to the Bricklayers, as well as a copy of his presentation materials, can be viewed on the HIT website at www.aflcio-hit.com.

“Investing in the HIT can help us work our way out of this economy.”

—James Boland, President, International Union of Bricklayers and Allied Craftworkers

HIT ONLINE

“Investing Pension Capital to Create 10,000 Union Construction Jobs” is a report on the HIT’s results to date for creating jobs under its Construction Jobs Initiative. The report can be viewed at www.aflcio-hit.com under “Special Reports.”

“Helping Build the Future of St. Louis,” a new video, features interviews with construction workers (at right) and community leaders on



the HIT’s involvement in the city’s major downtown redevelopment plan. Watch the video at www.aflcio-hit.com under “Videos.”

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