

# The Laurel

## *St. Louis, MO*

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The Laurel project was the \$175 million conversion of a historic building in downtown St. Louis into a new mixed-use facility that serves as a cornerstone for the city's downtown redevelopment efforts. The project involved the substantial rehabilitation of the vacant Dillard's department store located on Washington Avenue in the central business district. The HIT provided \$45 million in financing for the project's residential component, which features the conversion of 375,507 square feet, or 61% of the building, into 205 units of rental housing. The residential area includes almost 32,000 square feet of ground floor retail space, 350 interior parking spaces, and a 10,000 square-foot interior atrium.

The HIT provided financing for The Laurel through a \$45 million FHA-insured construction and permanent mortgage loan securitized with a Ginnie Mae mortgage-backed security. By including a split interest rate, with different rates for the construction period and the permanent financing, the HIT financing package was more economical for the developer.

The Laurel is part of the largest revitalization effort in St. Louis in 30 years. Adjacent to The Laurel is the redevelopment of One City Center and St. Louis Center, while major sports and entertainment venues are nearby, including the Edward Jones Dome, home of the St. Louis Rams, the new St. Louis Cardinals baseball stadium, and the proposed Ball Park Village project. The Laurel provides 205 new units of in-town housing, while also helping preserve an historic structure on Washington Avenue, one of the city's main downtown corridors. The HIT's investments in The Laurel and another downtown development project, the Park Pacific, are part of over \$500 million of construction on six major reconstruction projects in St. Louis. Work on The Laurel generated more than 1,300 family-supporting jobs for members of the local building and construction trades unions.

### PROJECT DESCRIPTION

### HIT ROLE

### SOCIAL IMPACT

# Project Profile





*“These new HIT investments will be a shot in the arm for the building trades here in St. Louis. They are significant projects that will help keep our union brothers and sisters working.”*

-Gerald Feldhaus, then Secretary-Treasurer,  
St. Louis Building and Construction Trades Council,  
*at the time of the HIT's commitment to The Laurel in 2010*

## ABOUT THE HIT

The AFL-CIO Housing Investment Trust (HIT) is a fixed-income investment company registered with the Securities and Exchange Commission. It manages \$5.8 billion in assets for approximately 390 investors, which include union and public employee pension plans. The HIT invests primarily in government and agency insured and guaranteed multifamily mortgage-backed securities. The HIT is one of the earliest and most successful practitioners of socially responsible, economically targeted investing, with a track record of over 30 years that demonstrates the added value derived from union-friendly investments. The investment objective of the HIT is to provide competitive returns for its investors and to promote the collateral objectives of constructing affordable housing and generating employment for union members in the construction trades and related industries. Since its inception, the HIT has invested \$10.4 billion (in current dollars) to finance more than 102,000 units of housing nationwide, generating more than 77,000 union construction jobs. More information is available on the HIT's website, [www.aflcio-hit.com](http://www.aflcio-hit.com).

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