



The Dempsey

New York, NY

PROJECT DESCRIPTION

The Dempsey project involved construction of a new residential building offering 79 units of affordable housing in New York City's Central Harlem neighborhood. The six-story apartment complex offers studio, and one- two- and three-bedroom apartments for families earning between 40% and 60% of the area median income (AMI). There is also a unit reserved for the building's resident superintendent.

"[This job's] been great for me. My kids had a good Christmas this past year."

—Gary Zuto, UA Local 638

HIT ROLE

Staff from the HIT's New York City office assisted the New York City Housing Development Corporation (HDC), New York City Housing Preservation department, and the development team, Phipps Houses and West Harlem Group Assistance, to structure financing for the project. Phipps Houses is one of the nation's largest not-for-profit developers, owners and managers of affordable housing.

The HIT purchased \$15 million of fixed-rate tax-exempt bonds issued by the HDC under the Low-Income Affordable Marketplace Program (LAMP) to help finance the \$26.4 million project in December 2009. The LAMP program was introduced by the HDC as a tool to finance new construction of low-income multifamily housing for individuals and families earning up to 60% of the AMI.

The LAMP program was used by the HDC to further its commitment to then Mayor Michael R. Bloomberg's New Housing Marketplace Plan, which was introduced in 2003 and considered the most ambitious municipal housing plan in U.S. history at the time. The Mayor's plan helped to build or preserve 165,000 housing units between 2003 and 2014. The HDC financed some 42,000 affordable units between 2003 and 2014.

Project Profile

SOCIAL IMPACT



ABOUT THE HIT

The project supported New York City's on-going revitalization efforts in the historic Harlem community by creating 79 units of quality affordable housing. The Dempsey's location allows residents easy access to subway and bus lines and the city's employment centers. The project provided the HIT with an opportunity to continue helping meet critical housing needs targeted by the HIT's New York City Community Investment Initiative.

Development of The Dempsey generated an estimated 139 family-supporting union construction jobs.*

“The HIT is pleased to invest in projects like The Dempsey, where we can make a difference in the lives of New York families who need a safe and decent place to live.”

—Carol Nixon, Director, HIT New York City Office

The AFL-CIO Housing Investment Trust (HIT) is a fixed-income investment company registered with the Securities and Exchange Commission. Its investors include union and public employee pension plans and labor organizations. 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 impact investing, with a track record beginning in 1984 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. More information is available on the HIT's website, aflcio-hit.com.

**Job and economic benefit figures in this report are calculated using an IMPLAN input-output model developed by Pinnacle Economics, Inc.*

This document provides information about a project or projects financed by the HIT which may or may not be reflective of other financed projects or refer to an asset currently held in the HIT's portfolio. Investors should consider the HIT's investment objectives, risks, charges, and expenses carefully before investing. This and other information is contained in HIT's prospectus, available at aflcio-hit.com or by calling 202-331-8055. The prospectus should be read carefully before investing.

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