



Franklin Square House Apartments

Boston, MA

Project Profile

PROJECT DESCRIPTION

Franklin Square House Apartments is a Section 8 subsidized rental development for low-income seniors and individuals with disabilities in Boston's South End community. The AFL-CIO Housing Investment Trust (HIT) provided financing for the \$75.5 million rehabilitation of the aging property, keeping the 193 units affordable for current residents for an additional 20 years. The property consists of two inter-connected six- and eight-story buildings.

HIT ROLE

The HIT worked closely with project sponsor, POAH, LLC, an affiliate of Preservation of Affordable Housing, Inc., to develop a creative financing package for the Franklin Square House Apartments project. In 2012, the HIT purchased a combined \$47.3 million of tax-exempt construction and permanent financing issued by MassHousing and insured by the HUD/HFA Risk Sharing Program and tax-exempt Construction Loan Notes secured by MassHousing.

SOCIAL IMPACT

By providing financing for the acquisition and rehabilitation of the aging Franklin Square House Apartments and extending its current Section 8 contract, the HIT helped to preserve a valuable source of affordable housing for local seniors and individuals with disabilities that might otherwise have been lost. The project's scope of work included exterior and interior repairs and upgrades as well as improvements to reduce the building's environmental impact in order to improve livability, accessibility, and energy efficiency.

The Franklin Square House project generated an estimated 78 union construction jobs.*

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



ABOUT THE HIT

It was one of twelve Boston projects that the HIT helped finance between 2009 and 2017 under its Construction Jobs Initiative, creating over 3,300 union construction jobs in the city. The energy-efficient rehabilitation and retrofit work also made Franklin Square House Apartments part of the HIT's Green Jobs Initiative, which generated significant numbers of jobs for union construction workers while helping to make the built environment cleaner, healthier, and more resource-efficient.

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.

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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