



AFL-CIO HOUSING INVESTMENT TRUST

Riverside Plaza

Minneapolis, MN

PROJECT DESCRIPTION

The project involved the substantial rehabilitation of the historic Riverside Plaza apartment complex on the edge of downtown Minneapolis. Work included major rehabilitation of deteriorating mechanical, plumbing, and electrical systems as well as substantial exterior and interior work. The investment modernized 1,303 housing units at the aging Minneapolis landmark, which opened its doors in 1973 in the city's Cedar-Riverside neighborhood.

The Riverside Plaza complex consists of six buildings ranging from four to 39 floors, with more than 30,000 square feet of commercial and community space. Ninety percent of the units are designated as affordable, with 669 of those units receiving Section 8 rental assistance.

HIT ROLE

The HIT worked closely with project sponsor, Sherman Associates, to put together a creative financing package for the \$123 million Riverside Plaza project. The HIT purchased a \$50.0 million bond from Piper Jaffray & Co. collateralized by Ginnie Mae mortgage-backed securities issued by Oak Grove Commercial Mortgage, LLC, in December 2010. The general contractor was Knutson Construction Services.

SOCIAL IMPACT

The HIT investment helped to preserve a historically significant residential development that has been a major source of affordable housing for Minneapolis residents for over 35 years.

Designed by the Modernist architect Ralph Rapson, Riverside Plaza was one of the first urban renewal projects to be completed as part of a federal campaign to integrate different socioeconomic groups into densely populated, self-sustaining communities.

Work on the project generated an estimated 882 union construction jobs.*

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

Project Profile

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ABOUT THE HIT

“Riverside Plaza is going to be a major project that will help keep our members working in this difficult economy. I’m proud that union pension dollars invested by the HIT are making this possible.”

—**Scott Gale**, then Business Manager

Minneapolis Building and Construction Trades Council

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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