



AFL-CIO HOUSING INVESTMENT TRUST

Union Flats

Saint Paul, MN

PROJECT DESCRIPTION

The AFL-CIO Housing Investment Trust is helping to finance the \$68.5 million construction of Union Flats, a 217-unit, affordable property located in Saint Paul, Minnesota. Union Flats will consist of one four-story building with 92 one-bedroom units, 79 two-bedroom units, and 46 three-bedroom units. The project amenities will include a community room, outdoor patio, fitness room, rooftop deck, dog-park, and 248 underground and surface parking stalls. All Union Flats units will be reserved for residents with incomes at or below 60% of the Area Median Income.

HIT ROLE

The HIT is purchasing \$31 million of taxable Ginnie Mae construction loan certificates and a permanent loan certificate backed by a HUD/FHA-insured Section 221(d)(4) first mortgage from Dougherty Mortgage, LLC. The project is being developed by Dominion Development & Acquisition, an apartment developer, owner, and manager of affordable housing in the U.S. Property management will be handled by Dominion Management Services, LLC. The general contractor, Weis Builders, Inc. has constructed five HIT projects with 100% union labor in the past decade.

SOCIAL IMPACT

The Union Flats site is located on the west side of Saint Paul at the intersection of Territorial Road and Hampden Avenue, just north of University Avenue. Union Flats has excellent access to employment, with a concentration of jobs along the University Avenue corridor in both directions, and even larger job concentrations in Downtown Minneapolis and Downtown Saint Paul. The site boasts benefits such as close proximity to major highways and will be located within walking distance of the Green Line of the Metro Transit Light Rail. The project's financing includes two transit-oriented development grant awards from the city. Union Flats is being constructed to the standards of a Class A market rate property despite affordability restrictions covering 100% of units.

The project is expected to generate approximately 616,000 hours of union construction work.

Project Profile

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ABOUT THE HIT

“We are very pleased to be working on another HIT project that shows that investing union pension dollars can create good paying construction jobs with healthcare and retirement benefits while at the same time benefiting the Saint Paul community.”

—Don Mullin, Executive Secretary, Saint Paul B.C.T.C.

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 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. More information is available on the HIT’s website, www.aflcio-hit.com.

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