

PROJECT PROFILE

Casa del Pueblo Apartments San Jose, CA



PROJECT DESCRIPTION

The Casa del Pueblo apartment project, located in the Central Business District of San Jose, California, was the \$62.6 million substantial rehabilitation of a 165-unit, 12-story building that provides affordable housing for people 62 and older. The building, built in 1976, is connected to the United Food and Commercial Workers International Union Local 5 headquarters. All units were completely refurbished, including new appliances, windows, doors, floors and ceilings.

HIT ROLE

The HIT provided \$25 million of financing by purchasing Ginnie Mae construction and permanent loan certificates insured under Section 221(d)4 of the National Housing Act, in September 2015. Together with the mortgage lender, the HIT worked with the developer, Preservation Partners Development (PPD), to structure the transaction.

SOCIAL IMPACT

The 165 rental units are affordable to individuals earning between 30% and 60% of area median income (two additional units are designated for management). A long-term HUD Housing Assistance Payments contract preserves the affordability of 154 of the units for 20 years and nine units have rents limited by Section 236.

The construction firm Blach Construction Company of Santa Clara utilized 100 percent union labor.

ECONOMIC IMPACT OF INVESTMENT*

 HIT Investment \$25.0 Million	 Total Development Cost \$62.6 Million	 165 Units of housing, with 100% affordable units	 513,280 Hours of Union Construction Work Generated	 \$14.9 Million Tax revenue generated	 \$109.9 Million Total economic benefit
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*Job and economic impact figures are estimates calculated using IMPLAN, an input-output model, based on HIT and subsidiary Building America project data. The data is current as of December 31, 2019. Economic impact data is in 2018 dollars and all other figures are nominal.

"The Casa del Pueblo redevelopment has been worth all the time and effort to put this very complicated project together. This was attributable to our great partnership between Local 5 and the AFL-CIO Housing Investment Trust which will continue to protect affordable housing for low income seniors and create hundreds of good paying union construction jobs."

— John Nunes, President
UFCW Local 5



ABOUT THE HIT

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 35 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.afcio-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 afcio-hit.com or by calling 202-331-8055. The prospectus should be read carefully before investing.

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