

LIHTC

Low Income
Housing Tax
Credit



CAHEC

Strengthening Communities

Investing in Your Community, in Your Neighborhood, in Your Future

Residents are Like Family at Mason Manor



BY THE NUMBERS

New Construction: 98

Private Equity Investment: \$6,825,443

During Construction

Local Jobs Supported: 111

Local Government Revenue: \$752,150

Projected Ongoing Annual Effect

Local Jobs Supported: 31

Local Government Revenue: \$387,100

Located in the northwest corner of South Carolina, Boiling Springs gets its name from a small boiling spring situated in the center of town and claims a population of just over 8,000 residents. Mason Manor, originally built in 2000, is an existing Low Income Housing Tax credit (LIHTC) property serving seniors earning 50-60% of the area median income. For CAHEC, Mason Manor marks the first self re-syndication of a property previously syndicated by CAHEC. The re-syndication, which provides a new allocation of credits to preserve an existing LIHTC property, will help with rehabilitation and upgrades to make the older property more marketable and sustainable. Flatiron Partners, LLC and Classic Development Company, LLC were the developers on this acquisition and rehabilitation property.

Mason Manor has 98 one-bedroom units in fourteen single-story residential buildings. The rehabilitation focused on replacing aged systems and improving energy efficiency. Windows, roofs, and exterior signage were replaced, and new kitchens, baths, and HVAC systems were installed. Tenants are also enjoying newly extended patios and sidewalks. The rehabilitation began March 2017 and was completed December 2017. The on-site amenities include a management office, community room, library, laundry room, fitness center, computer center, picnic area, and on-site social services programs.

Lisa Oglesby, Senior Regional Property Manager with Partnership Property Management, explained that many residents have lived at the property since 2000 and take great pride in their community. She remarked, "It means so much for them to have a warm place in the winter and a cool place in the summer. It is a great place to live where neighbors and friends become family."

Even though Mason Manor is not a new property and already has a stable tenant base, the property is well positioned to compete in a tight rental market. Currently, Mason Manor residents can enjoy their newly renovated apartments at the same rental point as before the rehabilitation. The renovated property will provide a safe, affordable home for seniors for years to come.



A new sign welcomes tenants and visitors to the property.



Residents enjoy a shared community room.

The Need for Affordable Housing Is Critical

Housing Landscape 2016 from The Center for Housing Policy reveals that in 2014, one out of five working renter households spent more than half of their income on housing each month. Even though the median income of working renters increased 9.3 percent from 2011 to 2014, rents increased 6.3 percent during that time period, leading to only slight improvements in housing affordability. As discussions regarding tax reform continue, it will be important to remember the LIHTC program's excellent track record and its essential role in developing and preserving affordable housing.

What Is the LIHTC?

Created by Congress as part of the Tax Reform Act of 1986, the Low Income Housing Tax Credit (LIHTC) generates private capital investment used to finance the construction and rehabilitation of affordable rental housing for households earning 60% or less of the area median income. According to the Joint Center for Housing Studies at Harvard University, the housing tax credit is "widely regarded as the most successful housing production and preservation program in the nation's history." Since it was enacted, the LIHTC program has led to the development of nearly 3 million units of affordable housing.

In addition to providing safe, decent, and affordable housing for working-class families and seniors on limited incomes, the economic impact of the LIHTC program is visible in communities throughout the country. The development of affordable housing increases spending and employment in the local economy. The National Association of Home Builders estimates that for every 100 units constructed with low-income housing tax credits, 116 jobs are created and more than \$3.5 million in federal, state, and local revenue is generated. Moreover, affordable housing can affect an employer's ability to attract and retain employees. LIHTC investment plays a significant role in community revitalization, which in turn can improve economic opportunities for local residents.

Who Is CAHEC?

One of the nation's leading nonprofit equity syndicators, CAHEC helps finance the development of attractive and affordable rental housing. Headquartered in Raleigh, N.C., CAHEC works with investors and developers in eleven states and the District of Columbia to raise and invest capital in affordable housing, historic preservation, and mixed-use community revitalization projects. Since its founding in 1992, CAHEC has raised and committed more than \$2 billion toward the development of more than 27,000 units of affordable housing.

How Tax Credits Flow



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