

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

## New LIHTC Property Helps Satisfy Affordable Housing Demand in Brevard



The Cottages at Brevard, a LIHTC community in Brevard, North Carolina, serves seniors earning 60% or less of the area median income.

Brevard, North Carolina, is your perfect small mountain town: a close-knit community, endless opportunities for outdoor activities, and gorgeous scenery. Located just south of Asheville, Brevard's easy access to both Pisgah National Forest and DuPont State Forest has positioned it as a popular tourism and retirement area in western North Carolina.

At the same time, the growing number of retirees calling Brevard "home" recently has accentuated the shortage of affordable apartments for those with lower incomes. Less than two years ago, there were only three LIHTC properties within a 30-minute drive of the town, all with waiting lists and none targeted for seniors. Now, thanks to Pendergraph Development, LLC, the Cottages at Brevard is helping to meet this demand.

The Cottages at Brevard is a new construction 40-unit LIHTC community for seniors 62 or older. The affordable community, comprising one- and two-bedroom apartments, has ten one-story quadplex buildings with cottage-style architecture. There is also a separate community building that includes a computer room with Internet access, a laundry room, an exercise facility, a kitchenette, and a multi-purpose room.

The Cottages at Brevard offers residents another cost-saving feature – it is extremely energy efficient. It has been built to meet the Energy Star 2.0 Certification and the National Association of Home Builders Green Building Standard Silver Level. The community also satisfies the requirements of the Enterprise Green Communities Building program and the Western North Carolina Green Building Council "Green Built" program. Everything from the windows and doors to the appliances and light fixtures was designed keeping green building practices in mind. These features not only are good for the environment, but they also keep utility costs down for the residents.

Besides affordability, the Cottages at Brevard provides residents with opportunities that keep them engaging with their neighbors: games, cultural programs, arts and crafts, gardening, live music, bingo night, and various holiday and birthday parties.

The Cottages at Brevard is doing many things for the City of Brevard, North Carolina. This energy-efficient community is providing seniors with an affordable place to live; promoting a healthy, interactive lifestyle; and helping save the environment.

### BY THE NUMBERS

**New Construction: 40 units**

**Private Equity Investment: \$4,545,012**

#### During Construction

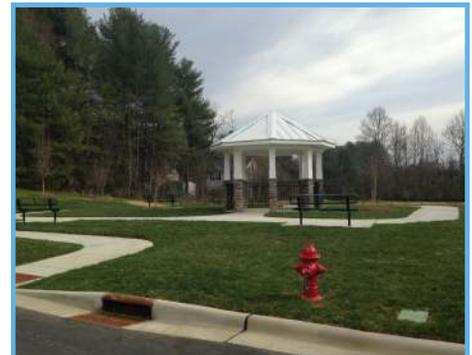
**Local Jobs Supported: 45**

**Local Government Revenue: \$307,000**

#### Projected Ongoing Annual Effect

**Local Jobs Supported: 13**

**Local Government Revenue: \$158,000**



The Cottages at Brevard offers great outdoor amenities, including a gazebo and picnic area with ample seating and extensive landscaping.



The community building provides residents with a place to gather for social events.

## The Need for Affordable Housing Is Critical

*Housing Landscape 2014* from the Center for Housing Policy reports that despite improvements in the economy since the end of the Great Recession, "housing affordability remains a severe challenge for millions of working individuals and families." The housing crisis of 2008 drove more Americans into the rental market, and now the demand for affordable rental housing exceeds the supply. 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 more than 2.6 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 \$3.3 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 \$1.4 billion toward the development of more than 21,000 units of affordable housing.

### How Tax Credits Flow



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