

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

### LIHTC Property Gives Residents a New Start



**Cypress Lane Apartments, located in Andrews, South Carolina, completed construction in October 2012 and achieved 100% occupancy less than one month later.**

Larry Brown has referred to Andrews, South Carolina, as home for nearly all of his life. Having dedicated many years of work to the City of Andrews and with his children living nearby, Mr. Brown finds it hard to imagine moving anywhere outside of the quiet, small-town life Andrews provides him. When an injury left Mr. Brown on disability, he began to worry that he would no longer be able to find a nice, affordable place in Andrews to call home. Luckily, Cypress Lane Apartments answered his call.

Cypress Lane Apartments is an affordable 48-unit property financed by the Low Income Housing Tax Credit program. The development consists of one-, two-, and three-bedroom units available to households with incomes at or below 50% of the Area Median Income. The property also includes a community building with a multi-purpose room, computer room, and laundry room as well as a picnic shelter furnished with grills and tables and two playgrounds for the kids to enjoy.

In addition to affordable rents, Cypress Lane Apartments has another benefit for its residents: it is LEED certified. This certification means that residents are also saving money on their utility costs. Cypress Lane was the second project in South Carolina to receive special funding and rental assistance from the Department of Agriculture Section 515 Rural Rental Housing Program to demonstrate that rural housing could be energy efficient, environmentally sound, and affordable.

As Mr. Brown searched in Andrews for a place he could afford, he became discouraged. His limited income was leaving him very few choices. As word spread that Cypress Lane was being built, Mr. Brown immediately placed himself on the waiting list. He feared the cost of rent would be out of his budget, but when he received word that one of the new apartments would be his and, more importantly, that it was affordable, a wave of relief rushed over him.

"This is a new start for me," he said. "I have a new sense of hope and feel like I am exactly where I need to be. I wish more affordable apartments like these could be built in our area. It would not only change the mindset of the tenants, but also change the look of my community."

Cypress Lane wasn't only a step in the right direction for Larry Brown; it was a step in the right direction for the community of Andrews, South Carolina.

#### BY THE NUMBERS

**New Construction: 48 units**  
**Private Equity Investment: \$4,830,533**

##### During Construction

**Local Jobs Supported: 59**  
**Local Government Revenue: \$396,864**

##### Projected Ongoing Annual Effect

**Local Jobs Supported: 14**  
**Local Government Revenue: \$211,680**



**Larry Brown stops by the main office to visit with the site manager, Kizzie Lawson.**



**This spacious playground is one of the amenities that Cypress Lane Apartments offers residents.**

## The Need for Affordable Housing Is Critical

In 2010, the National Low Income Housing Coalition reported that "the demand for low-cost rental housing has grown" during the past few years while the supply of affordable housing has declined. At a time when unemployment is high and more households are entering the rental market, the challenge of finding safe, quality affordable housing increases. With affordable rental housing in such short supply, the Low Income Housing Tax Credit serves a greater need than ever.

### 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 2.4 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 \$1.2 billion toward the development of more than 18,000 units of affordable housing.

### How Tax Credits Flow



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