

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

New LIHTC Property Helps Satisfy Demand for Housing in Greenville



Parkside at Verdae, a five-building LIHTC property located in Greenville, South Carolina, is helping meet the need for more housing in the area.

BY THE NUMBERS

New Construction: 56 units
Private Equity Investment: \$4,830,533

During Construction

Local Jobs Supported: 68
Local Government Revenue: \$463,008

Projected Ongoing Annual Effect

Local Jobs Supported: 17
Local Government Revenue: \$246,960

Greenville is often viewed as the economic center for the Upstate Region of South Carolina. Over the last 10 years, the area has experienced a steady increase in population, with people migrating to this area to take jobs in trade, manufacturing, government and education, and health services. Along with this growth comes a need for more housing. Affordable rental housing is especially needed, as many of the newcomers tend to be households consisting of 20-44 year-olds. With estimates showing that the population is projected to continue to climb during the next five years, there is a clear demand for affordable housing in the region.

Parkside at Verdae, a LIHTC property located about six miles east of the central business district, is helping alleviate some of this need. Completed in January of 2013, Parkside at Verdae is a 56-unit development for families with incomes ranging from 50% to 60% of the area median income. The development consists of one-, two-, and three-bedroom apartments that include energy-efficient appliances, video security monitoring the exterior of the site, and various other community amenities.

The demand for affordable housing in this area - and LIHTC properties in particular - is evident. Occupancy rates for tax credit units range from 94% to 99%. Most properties are working off of a waiting list, some of which are hundreds of applicants long. Parkside at Verdae leased up nearly all of its available units before construction was even completed.

As the Greenville population continues to grow and the demand for affordable rental housing increases, properties like Parkside at Verdae will become a key factor in the long-term economic stability of the area.



The community playground with a tot lot gives children a safe place to play in the neighborhood.



In addition to a community building that consists of a laundry room and fitness center, residents can enjoy the outdoor gazebo and sitting area.

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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