

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

### New LIHTC Property in Cary Helps Fulfill High Affordable Housing Demand



Willow Creek, a new construction community located in Cary, NC, has 53 LIHTC units that serve seniors aged 55 and older earning 60 percent or less of the Area Median Income.

Located between Raleigh and Research Triangle Park, the Town of Cary, North Carolina, is known for its appeal to all demographics, whether it is young professionals getting settled into their careers or seniors looking to enjoy retirement. Over the last decade, Cary has been fortunate to see rapid economic growth, including an employment base that continues to grow from numerous new and expanding businesses, infrastructure projects, and commercial developments. In addition to this, population and household growth in the area continue to increase at a high rate. Although these numbers are excellent for the Cary economy, they also lead to a greater demand for safe, affordable housing.

The construction of Willow Creek, a 53-unit development for seniors aged 55 and older, is helping fulfill this increasing demand in the Cary area. Developed by DHIC, Inc., a nonprofit located in Raleigh, North Carolina, this brand new community features one- and two-bedroom units ranging from 662 to 977 square feet in a single four-story building. Willow Creek serves residents earning between 30 percent and 60 percent of the Area Median Income. Additionally, senior residents have access to a community room, computer center, fitness center, and library within the property and are near grocery stores, pharmacies, and many other retail options.

The need for a development of this type in the Cary area is evident. Significant growth in population and households is projected in the coming years, with both estimated to grow by 11 percent through 2018. Specifically, senior renters are expected to increase 26 percent during that same time frame. In addition to these population trends, current occupancy rates for rental housing in the area are already high. Overall, the market averaged an occupancy rate of 96.9 percent, with LIHTC units averaging 100 percent. Furthermore, all comparable age restricted properties have significant waiting lists for potential residents.

As the Town of Cary continues to thrive and the demand for affordable housing remains consistent, the need to build rental housing like Willow Creek continues to be important. The seniors living in this development have a safe, affordable place to call home, while the Town of Cary ensures that housings needs will still be met as their growth continues.

#### BY THE NUMBERS

**New Construction: 53 units**  
**Private Equity Investment: \$3,982,927**

During Construction  
**Local Jobs Supported: 60**  
**Local Government Revenue: \$406,775**

Projected Ongoing Annual Effect  
**Local Jobs Supported: 17**  
**Local Government Revenue: \$209,350**



Residents enjoy a community room for potlucks, game nights, and other social gatherings.



CAHEC's Rex Williams Wellness Grant provided a great workout facility for the residents to stay healthy.

## The Need for Affordable Housing is Critical

*Housing Landscape 2015* from the Center for Housing Policy reveals that in 2013, one in four working renter households spent more than half of their income on housing each month. Even though the median income of working renters increased 6.7 percent from 2010 to 2013, rents increased 4.9 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 more than 2.7 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 \$1.8 billion toward the development of more than 24,000 units of affordable housing.

### How Tax Credits Flow



919.420.0063 • www.cahec.com

ANASLEF

CAHEC is a proud member of the National Association of State and Local Equity Funds

