



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

New Affordable Housing Provides Options for Lincoln’s Low-Income Residents



Lincoln, Alabama, has a lot to offer its residents. Home to the world-famous Talladega Superspeedway, the Honda Manufacturing of Alabama plant, and Logan Martin Lake with 30 miles of recreational shoreline, Lincoln is a dynamic, thriving city. Unfortunately, this hasn't always been the case. The area was hit hard during the national recession with unemployment rates reaching 14.58%, a higher percentage than the nation. In recent years, population has increased, the economy has stabilized, and unemployment has decreased substantially making it the perfect place for the construction of Red Oak Ridge Apartments.

Red Oak Ridge is a new construction 42-unit development for low-income families comprised of seven two-story residential townhomes and one multi-family residential building. The community is home to households earning 50 to 60 percent of the area median income. Red Oak Ridge features a community building, picnic area, computer room, and an exercise room. Additionally, they received a \$15,000 [Active Lifestyle Grant](#) through the [CAHEC Foundation](#), a nonprofit affiliate of CAHEC, to help install a youth playground.

Red Oak Ridge was developed by [DSI Real Estate Partners](#) and [Aletheia House, Inc.](#) DSI is a leader in the development of affordable housing within the state of Alabama and the southeastern region with over 1,400 multi-family units produced during its 10-year history. Aletheia House is a non-profit community-based organization dedicated to the health and well-being of individuals and communities by providing high quality, low-cost services. Affordable housing is one of seven service areas they specialize in. CAHEC is proud to have partnered with both of these organizations on such an important project.

Lincoln is a city rich in history and pride. Residents welcome visitors from all over the country that come to Lincoln to enjoy recreational activities, sporting events, and community gatherings. Because of these factors, population continues to increase, but individuals seeking affordable housing were met with few choices. The construction of Red Oak Ridge provides the community with a beautiful and safe affordable housing option for current and future citizens.

BY THE NUMBERS

- New Construction: 42
- Private Equity Investment: \$6,464,725
- During Construction
- Local Jobs Supported: 51
- Local Government Revenue: \$347,256
- Projected Ongoing Annual Effect
- Local Jobs Supported: 13
- Local Government Revenue: \$185,220



Red Oak Ridge provides residents a safe, affordable housing option in Lincoln, Alabama.



The Playground at Red Oak provides a fun, safe place to play for young residents.

The Need for Affordable Housing Is Critical

Housing Landscape 2017 from The Center for Housing Policy reveals that in 2015, 46 percent of households spent more than half of their income on housing, almost one-third higher than in 2000. Even though the median income of working renters increased by 11 percent from 2012 to 2015, rents increased by 5.7 percent during that time period, leading to only slight improvements in housing affordability. As we continue to remember the LIHTC program's excellent track record and its essential roll 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 2.3 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 \$3.3 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 \$2.2 billion toward the development of nearly 31,000 units of affordable housing.

How Tax Credits Flow



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