



Freddie Mac-CAHEC LIHTC Equity Fund Invests \$50 Million in Affordable Housing for Rural and Underserved Communities

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Investment in Middle Appalachia Will Modernize 70s Era Apartment Community

MCLEAN, Va., April 17, 2019 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) announced today it has closed a Low-Income Housing Tax Credit (LIHTC) fund with CAHEC and initiated several investments within the fund. The closing marks Freddie Mac's sixth LIHTC fund since re-entering the market in 2018, and the first fund managed by CAHEC. The LIHTC program is responsible for financing the vast majority of affordable rental housing across the United States.

The Freddie Mac-CAHEC fund will invest in the creation and preservation of affordable rental housing. It will focus on transactions in areas that have been underserved over the past decade, such as rural communities and developments that provide intensive supportive services for their residents.

The fund has thus far provided \$50 million in targeted affordable housing investments, across eight properties, including three in North Carolina, two in Tennessee, two in Kentucky and one in West Virginia. The investments in total support 411 units of LIHTC housing in some of the most underserved communities in America. Four investments are in Duty to Serve Rural Areas, including Middle Appalachia.

"Freddie Mac is proud to partner with CAHEC as a LIHTC syndicator, and our fund is already supporting affordable housing in rural and underserved markets," said David Leopold, vice president of Targeted Affordable Sales & Investments at Freddie Mac. "From Middle Appalachia to rural North Carolina, the investments we are making will help upgrade housing stock while preserving affordability for low-income individuals and families in need of decent places to live."

Jevue Club Apartments – New Martinsville, West Virginia

One such investment is for Jevue Club Apartments in New Martinsville, West Virginia. Freddie Mac's \$4.6 million LIHTC equity investment will help modernize the rental community of 40 two-bedroom and one-bathroom apartments. Ten of the units will be restricted to households earning at or below 40 percent of area median income (AMI), with the remaining restricted at 60 percent AMI. Of the 40 units, 31 receive rental assistance through the U.S. Department of Agriculture's Rural Development Section 521 rental assistance program.

Columbus, Ohio-based Buckeye Community Hope Foundation, an experienced developer of LIHTC properties in the region, is working with Woda Construction Inc, to redevelop the apartments. Renovations totaling more than \$70,000 per unit are providing much-needed modernization to the complex. Although well-maintained, the five single-story apartment buildings were constructed in 1977. Many fixtures and design elements, including orange countertops and globe light fixtures, are holdovers from that era.

The property is in a scenic location with views of the Ohio River and mountains. It is also within walking distance of stores and restaurants, providing a good quality of life for residents, the majority of whom are older than 55.

Freddie Mac developed its proprietary fund with CAHEC because of its deep expertise with the LIHTC program, its commitment to serving communities in need, and its ability to support Freddie Mac's mission of delivering liquidity and stability to underserved markets.

"CAHEC is thrilled to partner with Freddie Mac as a conduit for furthering their LIHTC equity investment goals," said Dana Boole, president and CEO. "Synergy with our respective missions, outlooks on affordable housing, commitment toward 'duty to serve' communities and our vibrant corporate cultures, were all drivers to creating, and now furthering, this thriving relationship."

More than 20 million households across the country are cost-burdened, meaning they pay more than 30 percent of their income for housing. Eleven million are severely cost-burdened, paying more than 50 percent of their income for housing. Freddie Mac and CAHEC are proud to be working together to address this vast and growing need through LIHTC.

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders, investors and taxpayers. Learn more at [FreddieMac.com](#), [@FreddieMac](#) and [Freddie Mac's blog](#).

Created in 1992, CAHEC ranks as one of the largest nonprofit regional equity syndicators in the United States. We specialize in tax credit syndication by raising equity capital and investing in affordable housing and community revitalization opportunities. To date, we have raised and committed more than \$2.2 billion toward the development of 678 properties and more than 31,000 units of affordable housing. Learn more at [CAHEC.com](#) and [@CAHEC_Raleigh](#).

Media Contacts:

Mike Morosi
Freddie Mac
703-918-5851
Michael_Morosi@freddiemac.com

Amy Green
CAHEC
919-645-9851
agreen@cahec.com