

Affordable Housing as a Keystone of Economic Mobility



The Charlotte Housing
Opportunity Investment Fund

Three-Year Impact Report

June 2022



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Past performance is not indicative of future results or a guarantee of future returns. The performance of any portfolio investments discussed in this document is not necessarily indicative of the performance of any other of the Company's portfolio investments or any future performance, and investors should not assume that investments in the future will be profitable or will equal the performance of past portfolio investments. Investors should consider the content of this document in conjunction with investment fund quarterly reports, financial statements and other disclosures regarding the valuations and performance of the specific investments discussed herein.

The Company may not be able to achieve its investment objectives (including target returns) for various reasons, as set out in more detail elsewhere in this document and in the offering documents. Among other things, the novel coronavirus (COVID-19) outbreak throughout the world and related responses (e.g., closing of various market segments and businesses) has raised uncertainty in valuing (and making related estimates for) certain assets, including assets that the Company holds or will seek to invest in. This uncertainty could remain for a significant period of time.

*The private investment pools sponsored by LISC are available only to eligible investors, are offered only pursuant to their official offering documents, and are managed by LISC Fund Management, LLC (LFM), a wholly-owned subsidiary of LISC. LFM is an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC"). Registration of an investment adviser with the SEC does not imply any level of skill or training. Please visit the SEC's website at www.adviserinfo.sec.gov to see LISC Fund Management's Form ADV, which contains important disclosures, including further disclosures about material conflicts of interest, risks, and limitations associated with LFM.

Affordable housing is the foundation for economic mobility, providing essential opportunities for savings and advancement. Together we are working to change Charlotte’s narrative by solving affordable-housing shortages and breaking down historical segregation of housing tied closely with inequities in access to transportation, healthcare, and jobs, in order to build a brighter future for all residents.

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A Letter From the Executive Director, LISC Charlotte

It's hard to believe three years have passed since we established a new LISC office in Charlotte and launched the Charlotte Housing Opportunity Investment Fund (CHOIF). Thanks to a wide variety of visionary and dedicated people, we've been able to have an enduring effect on the hopes, dreams and daily lives of families in the midst of an affordable housing crisis. The residents LISC and the CHOIF aim to serve range from the person who smiled and presented your food at the drive-through today to first-year teachers who make around \$36,000 a year, many of whom struggle to afford Charlotte's sky-high rents. People who already live in and those who will call our communities home in years to come are the reasons why we have worked so tirelessly. The advent of the CHOIF II will further expand the impact we can make going forward.

Three Years of Gratitude

We are thankful investors believed in our plan and saw how deeply we upheld and respected the integrity of the process to oversee the CHOIF capital. We are proud that developers have embraced our partnership with the City of Charlotte that created a one-stop-shop with a request for proposal (RFP) process that combined both the City's and LISC's parameters. We are proud to say we are on track to reach the CHOIF's 1,500 affordable housing unit goal, and that 50% of the CHOIF's capital to date is going to preserve affordable housing for residents currently living in naturally occurring affordable housing. Preservation of housing is so important in a city that is growing as fast as Charlotte, where affordable units are at risk of being torn down or changed into market-rate units that command upward of \$2,000+ month in rent.

Even more fulfilling, 94% of the units created by the CHOIF will be homes for families earning 80% or less of Charlotte's Area Median Income (AMI) and 25% of those units are reserved for households making at or less than 30% AMI. Our success in reaching households with lower AMIs would not be possible without key partnerships such as the one with INLIVIAN, whose project-based vouchers supported our success in serving lower AMI families and delivering for our investors.

Building the Future

As we go forward, I am proud to have been supported by incredible people and an incredible team. The Charlotte LISC team inspires me. The national LISC team is committed and knowledgeable about how other cities are reaching their affordable housing goals. I am in awe of the level of expertise and dedication of the smart people that surround me on a daily basis.



I am again grateful to our partners, investors, borrowers, INLIVIAN, the Housing Impact Fund, and the City and City Staff for their hard work and collaboration. The faith they have in our team and our ability to carry out this work and support developers truly keeps us going day-in and day-out.

There is still a great need and opportunity for affordable housing in an increasingly unaffordable city. I encourage you to read stories in this report about the hard-working people who are the face of today's affordable housing. Our wish list includes increasing access to support services in our communities, working with minority developers, building affordable housing in more areas of high opportunity, and impacting social and economic mobility. We look forward to celebrating new milestones as we finalize deployment of the CHOIF capital and realize the potential inherent in the CHOIF II.

Sincerely,

Ralphine Caldwell, Executive Director, LISC Charlotte

A Letter From the President, LISC Fund Management, LLC

The Charlotte Housing Opportunity Investment Fund (CHOIF) is purposed with preserving existing affordable housing and creating new affordable housing in areas of opportunity throughout the City of Charlotte.

Deep Appreciation

I am extremely thankful for how quickly our investors came to the table to commit to improve the lives of Charlotte residents. Raising money for this first fund happened very quickly and is a testament to how seriously the city and so many powerful and well-resourced people in Charlotte have taken this work as a mandate to create better outcomes for underinvested communities. It is also rare to see government and private entities interacting so efficiently and shepherding \$100+ million successfully through a collaborative investment model; achieving change in housing affordability for residents in such a short period.

We are also thankful to developers who openly engaged with us and provided feedback to the CHOIF I's process and products, as well as the city's partnership in integrating the CHOIF I and HTF application process. We think this model of public private collaboration could serve as a best practice for other cities.

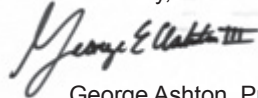
I am proud to say that together we have helped buildings retain affordability, improved the quality of housing in existing affordable developments, and worked through complicated financing to make challenging new projects come to life.

Spotlight on Local

The early success of this fund would not have been possible without tight coordination between LISC Charlotte and the LISC national Fund Management team, which enabled our teams to combine functions like fund structuring and investment negotiations with a strong local footprint. This local footprint enables community responsiveness, a solid understanding of the housing landscape, and an understanding of which projects will garner community support. The entire LISC Charlotte team's hard work, leadership, and focus on the community was the root of the fund's local success.

We are pleased to say that within three years of launching the CHOIF I, the money is fully allocated and there are additional projects looking for investment. We share with you our reflections on impact, lessons learned, partner highlights, and resident stories in this report. We hope to continue this work with current partners and new partners as well. The city of Charlotte needs it and the people of Charlotte deserve it.

Sincerely,



George Ashton, President, LISC Fund Management, LLC



ABOUT THE CHOIF AND ITS MISSION

About the Charlotte Housing Opportunity Investment Fund and its Mission

Background

In 2014, a study on economic mobility in America's 50 largest cities conducted by Harvard University's Equality of Opportunity Project ranked Charlotte as last, showing that children born into the bottom 20% of the income distribution in Charlotte had just a 4.4% chance of making it to the top 20% of the income distribution.¹ Affordable housing was found to be a critical component for fostering upward mobility and increasing access to affordable housing was a key recommendation from the 2017 Leading on Opportunity report. According to the report, almost half of the households were cost burdened, spending over 30% of their income on rent with an additional deficit of approximately 34,000 housing units for people earning at or below 60% of Charlotte's AMI.²

Rather than dispute these findings, the City's leadership, both public and private, embraced the results as a call to action and mobilized to create a partnership with LISC that would deploy \$100 million and reset the direction of equity and access to opportunity through affordable housing for underserved Charlotte households.

Building the CHOIF

In 2017, residents of Charlotte voted to increase the City's bond-funded Housing Trust Fund from \$15 million to \$50 million dollars to provide financing for affordable housing. The Foundation For The Carolinas (FFTC) envisioned a private fund that could work together with the City of Charlotte Housing Trust Fund (CCHTF) dollars, and experienced fund manager Local Initiatives Support Corporation (LISC) was invited to Charlotte to develop and manage what is now known as the Charlotte Housing Opportunity Investment Fund (CHOIF). The CHOIF launched in 2019 with \$53 million in commitments and closed on \$43 million in third party capital.

LISC Charlotte, in conjunction with LISC's national office, manages the CHOIF and partners directly with the City of Charlotte to maximize and leverage the private and public CCHTF capital to effectively double the city's investment in affordable housing. The CHOIF deploys both debt and equity financing to developers for the construction and rehabilitation of affordable and mixed-income housing units in and around the city. LISC Charlotte's unique position as the local office of one of the nation's largest community development organizations makes it possible to leverage both local expertise and national resources.

“Not only did we exceed our original fundraising goal of \$50 million, our community raised more than \$100 million outside the fund and surpassed the amount of units created from the fund. That is an extraordinary result for our community – even though there is a lot more work to be done. We owe our success to the overwhelming generosity of our funders, the foresight of the voters who supported the increase to the City's Housing Trust Fund, and the leadership and oversight of our nonprofit partner, Local Initiatives Support Corporation.”

Michael Marsicano, President and CEO, Foundation For The Carolinas

¹ Harvard University, UC-Berkeley, and NBER (June 2014). Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States. https://scholar.harvard.edu/files/hendren/files/mobility_geo.pdf

² The Charlotte-Mecklenburg Opportunity Task Force (March 2017) The Charlotte-Mecklenburg Opportunity Task Force Report <https://www.leadingonopportunity.org/>

The CHOIF Goals & Impact Metrics

The CHOIF’s primary goal is to increase availability of and access to quality, community-driven, affordable housing in areas of opportunity by investing private capital to develop new or preserve existing affordable housing. By investing in quality affordable housing in areas of opportunity, the CHOIF is breaking down the segregation of housing that is so tightly correlated with access to quality transportation, education, and healthcare, thereby enabling equitable access to those amenities that are more highly correlated with good social outcomes.

The CHOIF aims to reach households making 30-120% AMI, targeting at least 20% of the units at or below 30% AMI and 50% at or below 80% AMI. To improve economic opportunity for target households, the CHOIF established five key areas of focus:

CHOIF IMPACT FOCUS	KEY METRICS TO DETERMINE AND EVALUATE INITIAL IMPACT
<p>Developing and effectively deploying financial products that fill the capital needs of affordable housing developers</p>	<p># of closed deals \$ in equity investments \$ in debt investments Percentage of \$ invested in production vs. preservation of affordable housing Developer satisfaction and qualitative feedback</p>
<p>Increasing the availability of new and preserving existing quality affordable housing for target households</p>	<p>Availability – # of affordable housing units Target affordability levels - AMI break down of affordable housing units Reaching households with lower income – % of the total CHOIF units at or below 30% AMI Quality – Updated unit interiors, safety/security features, community amenities, housing that offers supportive services</p>
<p>Increasing the availability of affordable housing in areas of opportunity</p>	<p>Areas of opportunity are characterized by one or more of the following: Near transit – Neighborhood Profile Area* (NPA) % of housing units within ½ mile of transit Near healthcare – NPA % of housing units within ½ mile of Medicaid provider or free clinic Near grocery – NPA % of housing units within ½ mile of a full-service, chain grocery store Near childcare & schools – NPA % of housing units within ½ mile of 1) licensed early care and education program for children birth to age 5 and 2) a licensed school-age program for children ages 5-12 Access to jobs – NPA job density per acre</p>
<p>Building strong communities by investing in sustainable affordable housing, community-led projects, and diverse communities and neighborhoods</p>	<p>Key indicators leading to housing community stability and success: Long-term commitment to affordability – # of years deed restricted affordability Diverse and inclusive neighborhoods – race, income, and geographic breakdown of NPAs Neighborhoods experiencing change – # of NOAH units preserved Community engagement – # of community meetings held for the development project</p>
<p>Maximizing the City of Charlotte's Housing Trust Fund</p>	<p>\$ of HTF leveraged # years to fully allocated CHOIF dollars</p>

mcmmap.org/qol



***Quality of Life Explorer Tool**

Created in partnership among the City of Charlotte, Mecklenburg County and the UNC Charlotte Urban Institute, the Quality of Life Explorer is an online tool to explore the social, housing, economic, environmental, and safety conditions in Charlotte and Mecklenburg County.

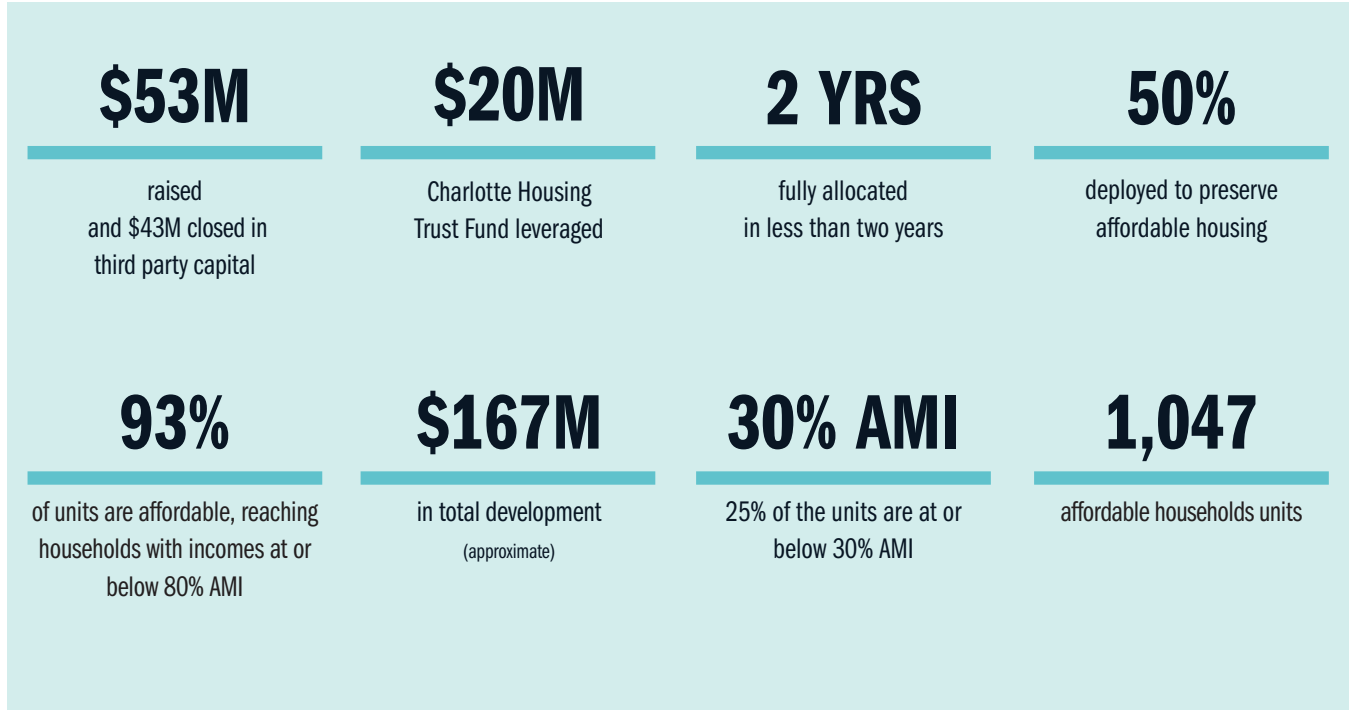
More than 80 variables are mapped, providing detailed information about 462 neighborhood profile areas (NPAs) including demographics, average age of houses, household income, jobs, health, education, access to public transit and more.

CHOIF IMPACT BY THE NUMBERS

The CHOIF Impact

At its core, affordable housing is an economic engine that sparks development in disinvested places and serves as an anchor for residents of gentrifying neighborhoods where rents are rising. Over the past three years, the CHOIF and its partners have worked to provide affordable homes to hard-working people in need.

All numbers below are from inception to 3/31/2022.



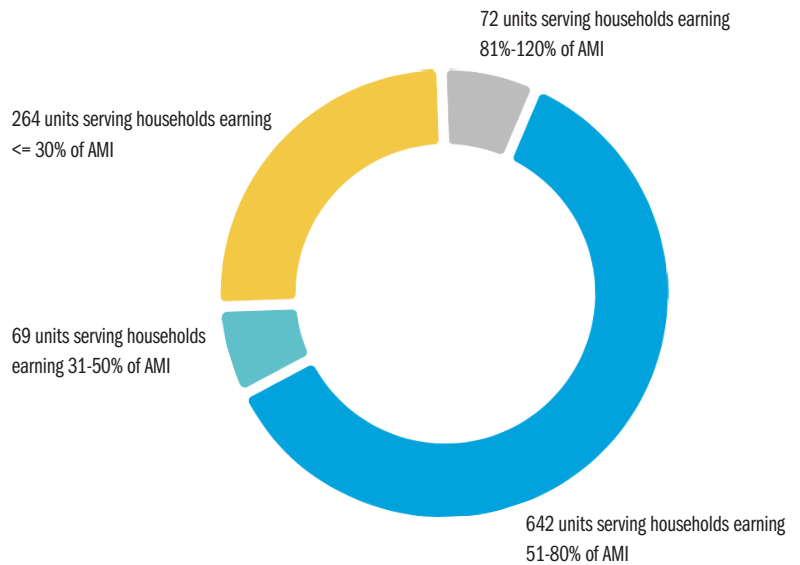
Improved housing quality



Maple Way Kitchen (Before)



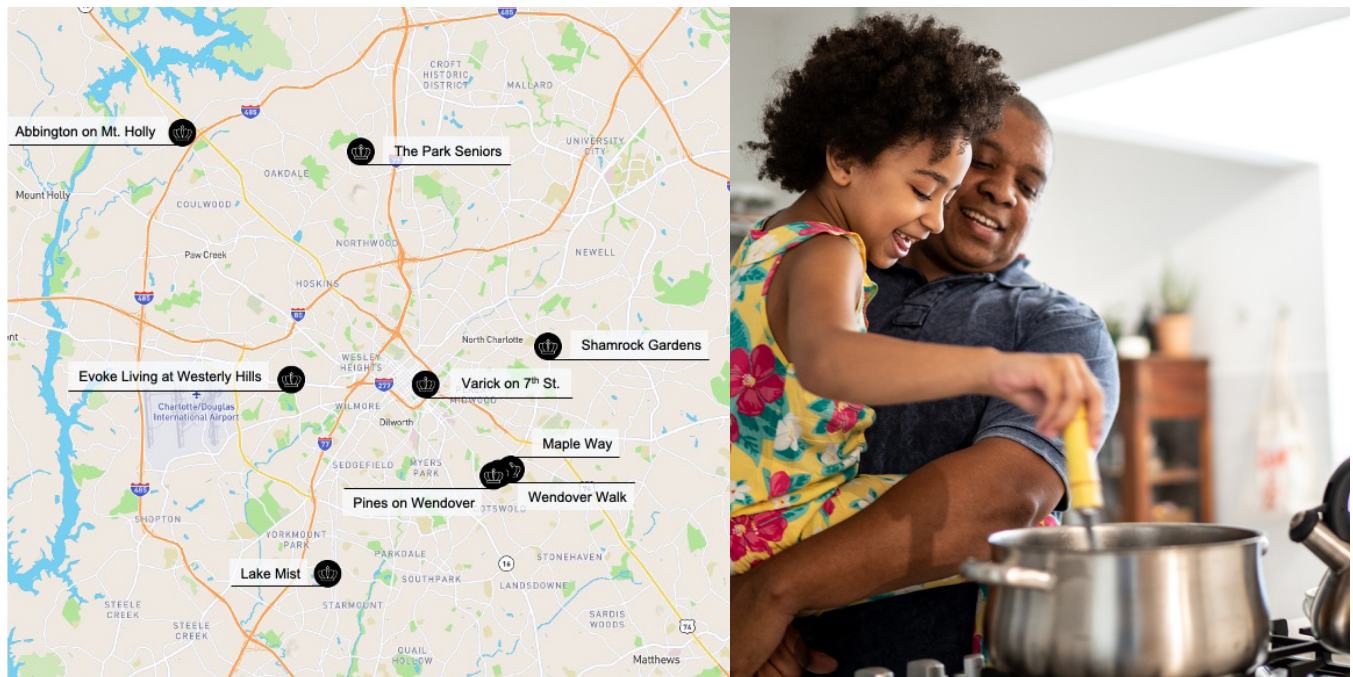
Maple Way Kitchen (After)



CHOIF Closed Investments*

Development	Type	Sponsor	Units	Debt Amount	Equity Amount	Total Amount	Total Development Cost Estimate	
Abbington on Mt. Holly	4% LIHTC	Rea Ventures	102	\$1,775,000	—	\$1,775,000	\$24 million	Deed – 30 years
Evoke Living @ Westerly Hills	4% LIHTC	CSE Communities	156	\$2,923,371	—	\$2,923,371	\$29 million	Deed – 30 years
Lake Mist (Archdale NOAH)	NOAH	Ascent Housing	144	\$900,000	\$1,600,000	\$2,500,000	\$20.5 million	Deed – 30 years
Maple Way	NOAH	Ascent Housing	60	\$650,000	\$900,000	\$1,550,000	\$8 million	Deed – 30 years
Park Seniors	4% LIHTC	Laurel Street	80	\$4,300,000	—	\$4,300,000	\$16.5 million	Deed – 20 years
Pines on Wendover	NOAH	Ascent Housing	44	\$725,000	\$500,000	\$1,225,000	\$8 million	Deed – 30 years
Shamrock Gardens	NOAH	Ascent Housing	279	\$2,600,000	\$3,800,000	\$6,400,000	\$29 million	Deed – 30 years
Varick at 7th Street Apartments	4% LIHTC	Laurel Street	105	\$4,187,000	—	\$4,187,000	\$23.5 million	Deed – 35 years
Wendover Walk Apartments	NOAH	DreamKey	91	\$1,300,000	—	\$1,300,000	\$8.5 million	Deed – 30 years
Subtotal			1,047	19,360,371	\$6,800,000	\$26,160,371	\$167 million	

*Data as of 3/31/2022



REFLECTIONS AND LESSONS LEARNED

Three-Year Impact and Insights

As of March 31, 2022, the CHOIF has created or preserved 1,047 units of housing in Charlotte across nine closed deals with additional commitments in place slated to support the CHOIF reaching its 1,500-unit goal. With a focus on areas of high opportunity, the CHOIF closed deals across the City in districts 1, 2, 3, and 6, and the Fund also leveraged \$20 million from the CCHTF. The CHOIF capital has been allocated sooner than expected, proving the market need to continue this work, the viability of financial products for developers, and impact in the community.

As we reflect on what we've accomplished over the last three years, it is clear certain processes we built and strategies we implemented contributed greatly to the CHOIF's impact and early success.

1 Streamlined Access to Needed Capital Can Be Transformative for Developers

The CHOIF issued its first-round joint RFP with the City of Charlotte to developers in May 2019, enabling developers to apply for financing from both the CHOIF and the CCHTF with one single application. By streamlining the RFP process, developers were able to access multiple types of financing to put together complicated capital stacks needed for underwriting and to make projects work.

"Developers like a defined path," said Dionne Nelson, president of Laurel Street Residential. "Our work is complicated, especially in affordable housing. We have to structure a deal two or three years in advance of when we actually start to build it. When you don't have a defined path, it creates complexity and challenge that in many cases developers avoid."

Early incorporation of developer feedback on financial products additionally allowed us to deploy both debt and equity products that were truly needed in the market. Developers now have access to multiple sources of flexible capital including the

CHOIF funding, CCHTF, low-cost bank debt, and other LISC-managed funds, filling gaps in project financing and making it possible for them to compete against market rate developers in an increasingly expensive market.

2 Investing in Areas of Opportunity in a Competitive Market is Possible

A big impact focus of the CHOIF was investing in areas of opportunity where residents have proximal access to one or more of the following: transportation, healthcare, schools, jobs, and areas of commerce. These key factors enable individuals to save money, live healthy, learn more, and grow into higher paying positions. All of the CHOIF's investments meet one or more of these key variables of opportunity.

For example, 95% of the housing within each investment's Neighborhood Profile Area (NPA) are within ½ mile of a transit stop. Over half of the projects invested in are within ½ mile of a Medicaid provider or free clinic. Further, the average of the investment NPAs had higher than average housing percentages with access (within ½ mile) to transit, low-cost health care, grocery stores, and school-age care.

The CHOIF also focuses on increasing the long-term availability of housing across the city in communities with diverse profiles, breaking historical patterns of segregation and separation. The CHOIF investments are varied in their racial, income and geographic makeup, both within each investment and across the entire portfolio. The investments' NPA median incomes range from \$19,118 to \$80,904, with an average of \$50,808. All of the investments are deeded to be affordable for 30+ years, except one which is deeded at 20 years.

What we are seeing is encouraging. We know for certain that it is possible to compete in a challenging housing market in areas around the city that empower residents to more easily participate in economic activity and local community.

"At Shamrock Gardens, residents tell us they are thrilled with their homes and grateful for the opportunity to keep paying +/- \$500/month rents despite our \$8mm renovation. We are proud to have been able to retain this housing resource. The affordability and value proposition of this community will be nearly irreplaceable once we've finished our work."

Mark Ethridge, Partner, Ascent Real Estate Partners

“I’m grateful to have transportation options since we only have one car, and my husband uses it to go to work. Bus routes get me where I need to go, and I’m in walking distance of a park and store.”

Nancy, Shamrock Gardens Resident

3 Partnerships Are Key to Helping Those Who Need Help the Most

The challenges faced by households making 30% or less AMI and those making at or below 80% AMI who live in Naturally Occurring Affordable Housing (NOAH) targeted for market-rate acquisition are even greater. To support these residents, the CHOIF partnered with two organizations to further exceed its goal of 20% of the affordable housing units at or below 30% AMI and targeting residents at or below 80% AMI.

The first partnership is with INLIVIAN, Charlotte’s housing authority dedicated to providing decent and safe housing affordable to low- and moderate-income families while supporting their efforts to achieve self-sufficiency through programs and vouchers. Project-based housing vouchers were made available to developers to deepen the affordability of a project particularly at or below 30% AMI. One-third of the CHOIF’s investments leverage INLIVIAN Project Based Housing Vouchers that reach households making at or below 30% AMI.

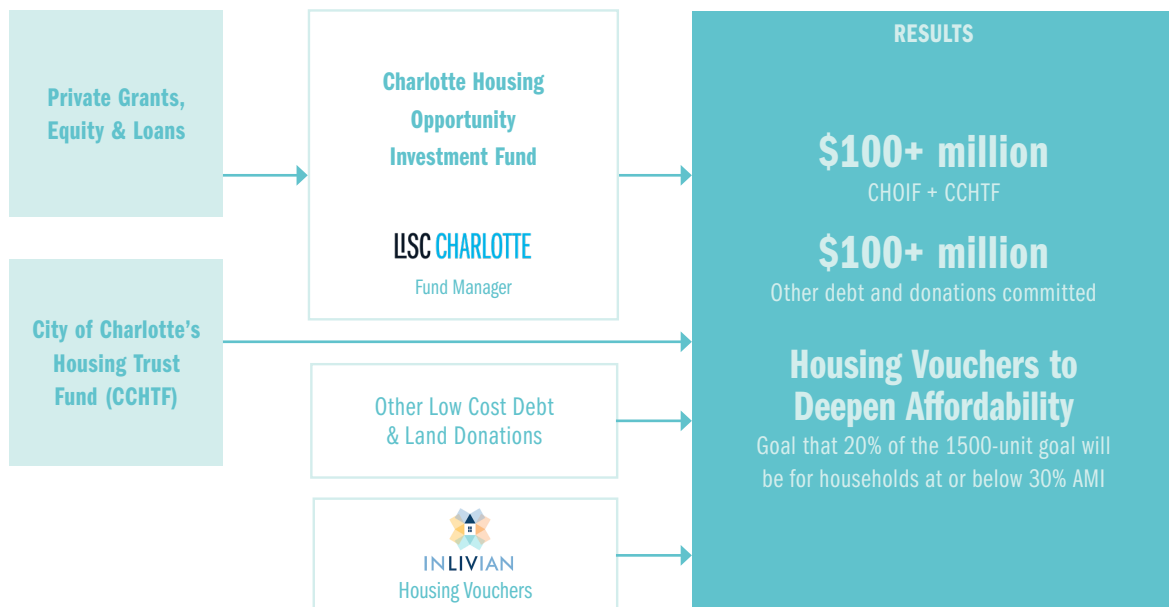
The second is a co-investment agreement with the Housing Impact Fund, a fund managed by Ascent Real Estate Partners, which increased the speed and capability to compete with

market rate developers on NOAH acquisitions. Approximately 50% of the portfolio investment dollars are allocated to preserving NOAH units, meaning more residents are able to afford to stay in their current homes, reducing displacement of current tenants in the wake of gentrification.

4 Realizing an Effective and Scalable Model Can Be Replicated Again and Elsewhere

Over the past three years, it has become clear that the approach and process we created to address our affordable housing crisis can be applied on a larger scale. With many, if not all, major cities in the U.S. facing housing challenges, the Charlotte public-private partnership model could be replicated in similar areas across the U.S.

Building the CHOIF to work in tandem with the CCHTF enabled us to maximize public dollars and make a greater impact. Ensuring the CHOIF works in tandem with INLIVIAN and other low-cost debt, land donations, and other LISC-managed funds, delivers the capital needed by developers to produce and preserve affordable housing for Charlotte households who really need it within one public-private partnership framework.



CHOIF and its partnerships as a public-private model to address Charlotte’s affordable housing crisis

CHARLOTTE'S PRESENT STATE OF AFFORDABLE HOUSING

Looking Forward – Addressing the Growing Need of Affordable Housing

The Need Continues to Grow

Even with the success of the CHOIF, the need for affordable housing has continued to grow, exacerbated by the COVID-19 pandemic.³ As the demand continues to outpace the supply, Charlotte rents have increased sharply by 18.8% year-over-year, as of April 2022.⁴ In January 2022, the Mecklenburg Board of County Commissioners found that only 1% of apartment rents in the area were under \$1,000.⁵ These increases were due in large part to the COVID-19 pandemic, which has even further lessened the availability of housing and rental inventory, as well as contributed to an increase in the number of residents in need of affordable housing options. The Board's findings further showed that the average rent for a one-bedroom apartment was \$1,288; the salary needed to rent an apartment in Mecklenburg County would be \$56,268

for a one-bedroom based off of 30% of the Area Median Income (AMI).⁵

The lack of affordable housing in Mecklenburg County contributes to both housing instability, displacement, and, in some cases, homelessness for its residents. As rents continue to increase, in January 2022 Mecklenburg County reported a 23,022-unit gap for households at or below 30% of AMI.⁵ The current supply of affordable housing in the Charlotte market is insufficient and with a second CHOIF fund, LISC and the City of Charlotte will seek to play an important role in bridging the gap of supply and demand. Ultimately, increasing the quantity and quality of stable housing for families in Charlotte will aid in propelling economic mobility forward.

A RESIDENT'S PERSPECTIVE – 2021 STATISTICS

The income of a four-person household in Charlotte ⁶	Median sample salaries In Charlotte ⁷	Rent for the average two-bedroom apartment is \$1,445 , so households making \$70,704 or less and renting at this rate are considered cost burdened, spending 30% or more of their salary on housing. ⁸	A person working minimum wage would have to work more than 120 hours per week to afford a two-bedroom apartment at fair market rent in Charlotte. ⁸
30% AMI is \$25,250	\$45,860 elementary school teacher		
80% AMI is \$67,350	\$32,590 fire fighter		
	\$21,000 hotel desk clerk, bartender or maid		

“The residents LISC and the CHOIF aim to serve range from the person who smiled and presented your food at the drive-through today to first-year teachers who make around \$36,000 a year, many of whom struggle to afford Charlotte’s sky-high rents.”

Ralphine Caldwell, Executive Director, LISC Charlotte

³ Chemtob, Danielle (Oct 15, 2021). Axios Charlotte. The pandemic has only exacerbated the growing affordable housing crisis in Charlotte. <https://charlotte.axios.com/276572/our-affordable-housing-shortage-in-numbers/>.

⁴ Rent Report Charlotte (April 2022) Charlotte Rent Report. <https://www.apartmentlist.com/nc/charlotte#rent-report>

⁵ Reynolds, Jacob (Feb. 2, 2022). Spectrum News 1, Mecklenburg County says 1% of area apartments rent for less than \$1000. <https://spectrumlocalnews.com/nc/charlotte/news/2022/02/02/mecklenburg-county-says-1-of-area-apartments-rent-for-less-than-1-000>.

⁶ UNC-Charlotte (October 2021) State of Housing 2021 Report Charlotte <https://realestate.charlotte.edu/research/state-housing-charlotte-report>

⁷ Housing & Neighborhood Services (June 2021) 2021 Area Median Family Income Charlotte, NC <https://www.dreamkeypartners.org/wp-content/uploads/2021/06/AMI-Affordability-Income-Limits-June-1-2021-House-Charlotte.pdf>

⁸ National Low Income Housing Coalition (2021) North Carolina Data <https://reports.nlihc.org/oor/north-carolina>

“The heavy lifting of creating a unique model from scratch is done, and it’s a model that could be replicated across the country. One of the biggest things we learned and that we must constantly reinforce is the complexity of putting together an affordable housing deal. Also, we already know everything is only getting more and more expensive. The cost was less in 2010, and much more expensive by 2017/2018. The reality is that if you don’t take action today, you will always be trying to catch up. The more money that’s put in now and the more projects put on the ground now, saves money in the long term.”

Brian Collier, Executive Vice President, Foundation For The Carolinas

CHOIF II - An Opportunity We Can’t Afford Not to Take

The CHOIF II builds on the lessons learned and successes of the CHOIF. With continued collaboration and support among public and private partners, creating and preserving affordable housing in Charlotte can become a hallmark of the city’s legacy in the decades to come.



Overwhelming Developer Adoption & Interest

With more demand than the CHOIF funding can support, there is already a pipeline of deals from developers requesting support from the CHOIF II to build and preserve more affordable housing.



Expanding Access to High Opportunity Areas in Charlotte

The CHOIF II seeks to continue to invest in projects located in areas that promote economic mobility, such as South Charlotte, and other areas with greater access to schools, jobs, and public transportation among other benefits.



Leveraging LISC National Resources And Co-Investments

Just as the CHOIF, the LISC-managed Black Economic Development Fund (BEDF), and Barings jointly provided \$38.4 million in funding to Varick at 7th, other LISC-managed funds and sources of capital may be able to co-invest in projects or provide financing throughout a project’s life cycle.



A Case Study for Building a More Equitable Future

Through ongoing measurement and analysis of the impact of the CHOIF, we gain a greater understanding of economic mobility which in turn will help us improve the lives of residents.

The partnerships originating from the CHOIF to tackle affordable housing and future partnerships yet to come will demonstrate the true depth of the character of this city and those who will lead it into the future. The CHOIF has created a proof of concept, demonstrated speed in achieving visible progress across the landscape of Charlotte, and created a strategy for going forward with even greater success.

Thank You to the CHOIF’s Investors and Major Partners



Life Transformation at Shamrock Gardens

Today, when you talk with Shamrock Gardens resident 'Nancy,' whose name has been changed to protect her privacy, her beaming smile and contagiously positive attitude give no indication of the hardships she's faced over 20 years of living in the U.S. A cancer survivor who needs expensive medication to live, Nancy also became her family's sole provider when her husband had to stop working due to a debilitating shoulder condition that compromised the function of his heart.

Her \$200 a week income was woefully inadequate to pay increasing rents in Charlotte, and the family was forced to move out of their home and move in with a friend. Nancy says she doesn't know what would have happened to them if they hadn't gotten an opportunity to get affordable housing at Shamrock Gardens.

The day she, her husband and daughter moved into their one-bedroom home at Shamrock Gardens transformed their lives. For the first time she felt the joy of "financial liberty," free from the constant stress of not being able to pay her rent. In the 12 years since, they've been able to move into a two-bedroom unit, her husband is back at work, and life at Shamrock Gardens has gotten better and better.

The Warmth of a True Community

Nancy says the first thing you notice about Shamrock Gardens is that it embraces you with a real sense of community. That's especially important to her in a city where you can hardly walk a block without seeing construction equipment, new buildings going up and new people moving in. "It's so nice to live in a place where you walk outside and people wave to you," she says. "I love my neighbors. We look out for each other and help when we're needed."

Now that she has a grandchild, Nancy is extremely grateful to have yard space, both in front and back of their home. It gives kids a place to play, and neighbors room to connect and strengthen relationships. She also loves that there are nearby parks with the kind of tall trees that nurture her inner nature lover, even in a big city. As someone who loves to walk, she is glad to have a Latin grocery nearby and is grateful for buses that can take her to medical appointments and other places she needs to go.



Nancy, Shamrock Gardens Resident

Improvements and Upgrades

The recent upgrades at Shamrock Gardens are also a source of ongoing excitement and pride. Nancy says she could not be happier with the new doors, roofs, gutters, and mechanical updates to replace window units. "There was a small worry that rent would go up as a result of the improvements, but neighbors have found that those in charge of setting rents are considerate and dedicated to keeping monthly costs affordable for residents." You can see it in Nancy's smile and voice that Shamrock Gardens is more than affordable housing. It is an uplifting, nurturing place to live that changes lives forever.



A Stepping Stone to the Future

On her own since age 18, 'Lauren,' whose name has been changed to protect her privacy, had lived in a succession of apartments that had serious deficits of upkeep and maintenance partnered with a lack of communication and support from management that made living conditions difficult. When Lauren was expecting a baby and planning life as a single mom, she knew that the living conditions in her current apartment would not be safe or supportive enough for her growing child. Luckily, Lauren discovered Lake Mist Apartments, a naturally occurring affordable housing (NOAH) community. The developer, Ascent Real Estate Partners, had just acquired Lake Mist and was beginning to make much-needed property repairs and improvements.

Safety and Care

Over the past two years, Lake Mist has provided the ideal home for Lauren and her wonderful 21-month-old son to thrive. "I love my apartment at Lake Mist more than anything," she says. "He has his own room here instead of sleeping in the living room as we did in our previous residence, and I now have a full-time job that allows me to work from home." In addition to having a stable home for her child, Lake Mist has given her a peaceful sense of community.

Lauren is also amazed by the difference in management from anywhere else she has lived. "In addition to being bilingual, they are social, kind and respectful, right down to small

details like wearing shoe covers when they come in to do maintenance. They are so quick to fix things when I have issues, and the grounds maintenance is excellent. When they see something, they take care of it. From my kitchen remodel to new mailboxes that accommodate packages, everything has been done the way it should be."

What is most exciting is that Lauren hopes to buy a home of her own in a few years, possibly near her mom in Huntersville. Lauren's enrollment in a local community health organization's nurse-family partnership program, which helps single moms reach their parenting goals and beyond, is making it possible for her to budget and save. When you meet Lauren's smiling son and see his bright young eyes and active hands, you see the purpose and mission of the CHOIF truly come to life.



Lauren and son, Lake Mist Residents



"It's tight-knit. I know everyone in my building and the one across from me too. We check on each other, and I have a neighbor who can care for my son when needed. It feels like a family here."

INLIVIAN Focuses on an Inclusive Charlotte

Back when he was working for the Winston-Salem Housing Authority in 1996, Fulton Meachem visited Charlotte and saw firsthand how it had used its first HOPE VI Revitalization and Demolition Grant to revitalize Earle Village into a mixed-income community, now called First Ward Place. Charlotte's success changed his perception of what's possible in the world.

"Watching children on the playground who were coming from different race and economic backgrounds, living, working and playing together, was a beautiful thing for me to see. They were creating a community in which everybody has uplifting opportunities, and I saw right then how we are all more connected by similarities rather than differences. I knew that what was being done in Charlotte needed to be done everywhere, and that realization propelled my career."

Sixteen years later, Meachem was named president and ceo of Charlotte Housing Authority, now known as INLIVIAN. "By 2019, as part of our mission to create innovative housing solutions for residents of diverse incomes, we were focused on trying to determine a way to increase the amount of affordable housing here in Mecklenburg County," he says. "We already knew that we were at a deficit and were looking at ways to structure the funding. We needed to find a way to create a below-capital fund to provide development opportunities in partnership with the existing Housing Trust Fund and our Project-Based Vouchers (PVB)."

Project-Based Vouchers: A Win for Developers and Residents

Project-Based Vouchers (PBV) are a component of a Public Housing Agency's (PHA's) Housing Choice Voucher (HCV) program. A PHA can attach its PBV to specific housing units if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set aside a portion of the units in an existing development for low-income families.

Meachem says the PBV appeals to developers because basically it creates a very stable revenue stream for the owner. It covers the difference between the rent and how much a bank teller, for example, can afford. "It covers the difference long-term, guaranteeing the property manager's receipt of their fair market rent. It represents a fixed income for that site, something that's disbursed every single month, so it's easier for lenders to underwrite and developers and property management companies to administer. They

consistently get a voucher check the first of the month for that property." Project-Based Vouchers have an equally big impact for residents when they go looking for a safe and affordable place to live. "They can actually hear the word 'Yes' when they are accustomed to hearing 'No' during the course of a market-rate transaction," Meachem says. "Paying \$1600 for a 2-bedroom apartment here in Charlotte prices a lot of people out. A regular Tenant-Based Voucher, as opposed to a Project-Based Voucher, doesn't always cover Charlotte's high rents, or in some cases, the person in charge of renting a unit will not lease to a person with a voucher. A property with PBVs addresses both of these issues and so as long as an owner keeps the property affordable, maintains and modernizes it and upholds quality standards, the vouchers will be there as long as the property is there."



Fulton Meachem
President and CEO, INLIVIAN



INLIVIAN
HOUSING REDEFINED

Partnership for Success

LISC and the Charlotte Housing Opportunity Investment Fund (CHOIF) did more than provide the right enrichment at the right time. Meachem believes INLIVIAN's partnership with the CHOIF has truly changed the narrative about affordable housing in Mecklenburg County: "The CHOIF gave us access to more capital, but it went far beyond that. Having LISC in our community as a resource is phenomenal. They are nationally known, but a real community partner at the same time." He explains that the kind of astronomical growth that is happening in Charlotte can create have and have-nots. Other metropolitan cities are having the same kind of problems with working families being priced out. "LISC sees solutions across the country, shows us what's possible, and understands

how municipalities and counties can get involved. I think the partnership is going to create even more opportunities, and we're going to see a lasting impact in terms of economic mobility in this city."

Return on Investment: A Win for the Private Sector

Meachem points out that LISC has been able to show Charlotte's private sector investors and philanthropic community a novel way to actually get a sustainable "double-bottom" return on their dollars. "With grants, in a lot of cases, they give us a certain amount of dollars, and then it is gone. Now the private sector is coming in to participate long-term. They're seeing their involvement as a win-win on the social side and the business side, by increasing their bottom line. This idea of having skin in the game and ROI is a novel approach that is scalable and working in other cities too."

Turning "Them" Into "Us"

With the CHOIF, the City's Housing Trust Fund and housing vouchers, Meachem believes we have apartments in places where everybody would want to live, without stigma. "Negative perceptions about public housing were pervasive in the past, and sometimes we're still living that view in people's minds. We have an opportunity now to change the conversation through our new partnerships and collaborations. INLIVIAN, LISC and the City are all fluidly working together so people have the quality places to live and quality opportunities for employment that will create an inclusive Charlotte."

Going forward, Meachem says INLIVIAN is focused on breaking barriers to affordable housing in everything from source of income discrimination to zoning. "I do understand that the private sector is about making money, and I'm a capitalist myself. But at the same time, you can be a compassionate capitalist and make sure that as you make money, you're also helping people at the same time."

"Do you know anybody who doesn't need 'housing that is affordable,' from college graduates looking for an apartment on a starting salary to your aging mom who is downsizing on a fixed income? Over the 27 years I've been in this business, people have often talked about affordable housing or people that need it, in terms of 'them.' Now that we have more private investment and LISC as a partner, we have a space for people to talk about this openly and change old perceptions. In a community like Charlotte that's driven to be exceptional, it's never about them, it's about us."

Fulton Meachem
President and CEO, INLIVIAN



Breaking the Mold in the Heart of Uptown

When Dionne Nelson, president and ceo of Laurel Street, thinks about the realities inherent in addressing the affordable housing crisis in Charlotte, one thing is abundantly clear. The problem simply cannot be solved with money and resources from the public sector alone. “Charlotte has a billion-dollar problem,” Nelson says. “The idea that \$50 million of public City funds every two years will drastically improve the current housing crisis is not reasonable, not realistic.”

According to Nelson, affordable housing development in Charlotte has been heavily anchored in the Low-Income Housing Tax Credit (LIHTC) funding program. Created by the Tax Reform Act of 1986, the LIHTC program gives state and local LIHTC-allocating agencies the equivalent of approximately \$8 billion in annual budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.

“It is the most successful public/private program for affordable housing development in the last several decades and is well supported across the aisle. We continue to believe in that work, but the reality is that LIHTC sometimes does not offer the flexibility a developer like Laurel Street needs right now in a city like Charlotte,” Nelson says. “The private sector capital in the CHOIF enabled us to introduce some creativity into developing apartments that make sense for a particular site in a particular community.” The CHOIF brought the private sector to the table in a new way, filling two gaps: a monetary gap and a gap in the community’s understanding of the complexity of the problem.

Nelson’s company is a mixed-income residential developer headquartered in Charlotte that does a preponderance of its work across North Carolina and in other areas of the Southeast. “But Charlotte is home. The challenges this city faces are near and dear to our hearts, so we work very hard to be a thoughtful and active contributor to affordable housing here.”



Dionne Nelson
President and CEO,
Laurel Street



Reverend Doctor Dwayne Walker
Pastor, Little Rock AME Zion Church

Built-In Inclusivity

A case in point is Varick on 7th Street Apartments (Varick), a Laurel Street co-sponsored project in Uptown Charlotte that Nelson says benefitted from a very unique financial structure and would not have been possible if they had relied on the LIHTC funding program and its regulatory requirements. Varick is a new project that features 105, one-, two-, and three-bedroom apartments in a single, five-story, elevator-served building. Fifty-three apartments will be income-restricted for households earning up to 30 percent, 60 percent and 80 percent AMI. Fifty-two units will be rented at market rates.

“Making space for people of all incomes to live together would not have been impossible, but would have been very challenging since the LIHTC program in North Carolina tends

“Charlotte has a billion-dollar problem, so the idea that \$50 million of public City funds every two years will solve the problem is not reasonable, not realistic. The CHOIF brought the private sector to the table in a way that has never existed in Charlotte before.”

Dionne Nelson, President and CEO, Laurel Street

to orient toward 80 percent AMI and below,” Nelson says. “When you start mixing market-rate units into a project, you have to abide by different rules. Deviating from the LITHC parameters in this deal reinvented what was possible.” The CHOIF, alongside LISC’s Black Economic Development Fund (the BEDF), provided a total of \$21 million in financing for the project, filling capital gaps so construction could begin.

There was another force at work at Varick — the faith-based community. Rev. Dr. Dwayne A. Walker, Pastor of Little Rock AME Zion Church, had worked to establish a Community Development Corporation (CDC) in 2006 after seeing the development all around his church. “We saw a great need to be part of Charlotte’s renaissance, to expand our role and make an impact in the Uptown area,” he says. More than a decade later, Walker successfully worked with the city and Laurel Street to realize the Little Rock CDC’s vision as co-sponsor of Varick. The development was named for James Varick, the founder and first bishop of the AME Zion Church and an abolitionist who helped establish the Freedom Journal, the first Black-owned newspaper in the U.S. The name Varick is a fitting tribute to a community dedicated to inclusivity.

“Timing is everything, and this was the right time to move our vision of serving the community forward,” Dr. Walker says. “We’re excited and grateful that the City’s parcel of land, Little Rock CDC’s parcel of land, the partnerships with LISC and Laurel Street all came together. Hopefully the way we brought resources together will be a model for other opportunities, not only in Charlotte but across the nation to address the issue of affordable housing.”

A Defined Development Path

Varick also made history in 2019 by getting funding from LISC’s CHOIF as well as obtaining a substantial construction loan from the BEDF. After the pandemic hit, Nelson says the project came under massive pressure with construction cost increases in the neighborhood of 25 percent. “But we haven’t had to face it alone. LISC Charlotte, the CHOIF, the BEDF, the City of Charlotte, and Barings, the permanent loan lender, have worked together to make sure we can move forward and to get this development executed.”

Having such a defined path to access capital in the CHOIF, the BEDF, and the City’s Housing Trust Fund has helped Laurel Street tremendously. “Our work is complicated, especially in affordable housing. We have to structure a deal two or three years in advance of when we actually start to build it. When you don’t have a defined path, it creates complexity and challenges that in many cases developers avoid. We didn’t know for sure what kind of a partner LISC would be in the beginning, but they have proved themselves as very collaborative, very easy to work with, very professional and with an accurate understanding of what it takes to be successful in doing this work. There’s no doubt Laurel Street would work with them again and again and again.”

For Pastor Walker the longer-term impact of Varick is the path toward upward mobility. “Living in Uptown Charlotte also creates the opportunity for Little Rock to serve the community with wrap-around services such as workforce development, childcare and other things people need beyond a really great and affordable place to live. It’s an awesome opportunity.”

The Need to Do More

Nelson has seen firsthand the dramatic impact the CHOIF has made. “But now we need to double-down, fully fund the CHOIF II, and think creatively about how we can do more. How do we move forward as a community, given that a worldwide pandemic has made our affordable housing aspirations even more challenging? We can’t let our city go backward. We must continue to work together to keep Charlotte moving in the right direction.”



Future Site of Varick on 7th Street Apartments

“Early on, we identified many exceptional projects in very early stages, but as developers put together their proformas, they encountered significant gaps in terms of covering their costs. CHOIF developed our products accordingly and deployed capital in the form of debt and/or equity capital.”

George Ashton, President, LISC Fund Management, LLC

CHOIF PROJECT SUMMARIES

**All data as of 3/31/2022*



Abbington on Mt. Holly

Rea Ventures Group (RVG)

Abbington on Mt. Holly (Abbington) is a new construction development located in Northwest Charlotte near I-485 and Highway 16. The development is located near multiple retail centers, accessible by existing sidewalks. Abbington will be a 102-unit affordable multifamily housing development with five, three-story garden-style buildings. Abbington will offer amenities including on-site management, a computer room, fitness center, laundry facility, limited access entry, community rooms, and free parking for residents. The development will be 100% affordable with 76 units at or below 80% AMI and 26 units at or below 30% AMI; units will remain affordable for at least the next 30 years through a deed-restriction.

The development is led by affordably housing developer, Rea Ventures Group (RVG), who brings over 60 years of experience in affordable, workforce, and market rate development.

The CHOIF invested \$1,775,000 in Abbington via a subordinate loan. The total development cost of the property is approximately \$24 million.

Evoke Living at Westerly Hills

Crosland Communities (CSE)

evokelivingwesterlyhills.com/

Evoke Living at Westerly Hills (Evoke Living) is a new construction development located on the Uptown Charlotte side of I-85 in the Westerly Hills Neighborhood. Evoke Living will be a 156-unit affordable multifamily housing development with seven, three-story garden-style buildings. Amenities will include a separate clubhouse with a community room, fitness center, computer room, laundry facility, playground, and covered picnic area. There will be on-site supportive services offered to residents. The development is 10 minutes from the center of Charlotte with a bus stop adjacent to the community. Evoke Living will offer 156 affordable units at or below 80% AMI with 20% serving households at or below 30% AMI; units will remain affordable for at least the next 30 years.

Crosland Communities (CSE) and Horizon Development Properties (HDP), the development arm of the local housing authority, INLIVIAN, worked together to develop this affordable multifamily housing development.

The CHOIF committed \$2,923,371 via a subordinate loan. The total development cost of the property is approximately \$29 million.

Lake Mist Apartments

Ascent Housing, LLC

lakemistapartments.com/

Lake Mist Apartments (Lake Mist) is an existing 144-unit garden-style, 19 building, property located in the Montclaire South neighborhood steps away from a light rail station. Amenities include a swimming pool, laundry facility, playground, soccer field, and free WiFi for all residents. Lake Mist is considered naturally occurring affordable housing (NOAH) with 100% of the units affordable at or below 80% AMI and 44 units at or below 30% AMI; units will remain affordable for at least the next 30 years through a deed-restriction.

After acquiring Lake Mist, the sponsor, Ascent Housing, completed much needed repairs to the property's foundation, water heaters, retaining walls, sewer lines, roof, and water lines. The Ascent Housing team also made landscaping and ADA accessibility improvements, resurfaced the parking lot, installed a playground, soccer field, dumpster enclosures, drainage around buildings, pool fencing, and is making repairs to units as they turn over.

The CHOIF invested \$2,500,000 in Lake Mist; a \$900,000 subordinate loan and \$1,600,000 in equity. The total development cost of the property is approximately \$20.5 million.

CHOIF PROJECT SUMMARIES

*All data as of 3/31/2022



Maple Way Apartments

Ascent Housing, LLC
maplewayapartments.com/

Maple Way Apartments (Maple Way) was originally constructed in 1973 and is located in the Cotswold area and the most desirable school district in Charlotte. Maple Way is a 60-unit naturally occurring affordable housing (NOAH) development with five, two-story garden-style buildings. Amenities include a picnic area, perimeter fencing, on-site parking, high-speed internet access, and a playground. There will be on-site supportive services offered to residents, including health services. Of the 60 affordable units, 18 are at or below 30% AMI and 42 are at or below 80% AMI; units will remain affordable for at least the next 30 years through a deed-restriction.

The developer, Ascent Housing, will invest two million dollars in renovations and updates to the community. Ascent Housing has achieved 100% minority women-owned small business enterprise (MWSBE) participation on the contracted renovation services to date. Property management partnered with Beds for Kids to have seven beds delivered to under-furnished tenants at Maple Way at no cost to the families.

The CHOIF invested \$1,550,000 in Maple Way: a \$650,000 subordinate loan and \$900,000 in equity. The total development cost of the property is approximately \$8 million.

Pines on Wendover Apartments

Ascent Housing, LLC
pinesonwendover-apts.com/

Pines on Wendover Apartments (Pines on Wendover) was originally constructed in 1987 and is located in the Wendover-Sedgewood neighborhood of Charlotte. Pines on Wendover is a 44-unit naturally occurring affordable housing (NOAH) development with three, three-story garden-style buildings. Amenities include a picnic/grilling area, a dog park, leasing office, and on-site supportive services through a Community Health Worker. Of the 44 affordable units, 14 are at or below 30% AMI and 30 are at or below 80% AMI; units will remain affordable for at least the next 20 years through a deed-restriction.

The developer, Ascent Housing, began renovations shortly after acquiring the property and achieved 100% minority women-owned small business enterprise participation through the general contractor, Harmon Construction Services. Improvement plans to benefit residents include completion of deferred maintenance of the roof, landscaping/drainage, parking lot, building exterior, and upgrades to unit interiors (upon turnover).

The CHOIF invested \$1,225,000 in Pines on Wendover: a \$500,000 subordinate loan and \$725,000 in equity. The total development cost of the property is approximately \$8 million.

Shamrock Gardens Apartments

Ascent Housing, LLC
shamrockgardensapts.com/

Shamrock Gardens Apartments (Shamrock) was originally constructed in 1973 and is located in the Shannon Park neighborhood near Plaza Midwood and NoDa, just 15 minutes from Charlotte's city center. Shamrock is a 265-unit naturally occurring affordable housing (NOAH) development with 47, one to two-story garden-style buildings. Of the 265 affordable units, 80 are at or below 30% AMI, 53 are at or below 50% AMI, and 132 are at or below 80% AMI; units will remain affordable for at least the next 20 years.

The developer, Ascent Housing, began renovations and deferred maintenance after acquiring the property. Improve plans include new roofs, siding and windows; repaved parking areas; upgraded sidewalks, staircases and handrails; improved drainage; new electrical wiring and more. Shamrock Gardens units have hardwood floors and fully equipped kitchens. Residents enjoy a pet-friendly community, and convenience to grocery stores, shopping, and dining.

The CHOIF invested \$6,400,000 in Shamrock Gardens; a \$2,600,000 subordinate loan and \$3,800,000 in equity. The total development cost of the property is approximately \$29 million.

CHOIF PROJECT SUMMARIES

*All data as of 3/31/2022



The Park Seniors

Laurel Street Residential, LLC
laurelstreetres.com/development/gilfield-park/

The Park Seniors is a new construction development and located seven miles northwest of Uptown Charlotte, close to a grocery store, several shopping, dining and retail options, as well as a bus stop. Interstate 77 and Beatties Ford Road offer easy access to other parts of the city, and Hornets Nest Park is less than a half-mile north of the residences. The community represents the first phase of a larger master-planned development on The Park Church's 51-acre campus.

Park Seniors will be restricted to tenants aged 55 and older. Of the 80 units, 22 are at or below 30% AMI, 32 units are at or below 60% AMI, and 26 units are at or below 80% AMI. There will be 48 one-bedroom and 32 two-bedroom units ranging from 660 to 900 square feet, with rents ranging between \$400 and \$1,400 a month. Each unit will feature walk-in closets, ceiling fans and fully equipped kitchens. Planned community amenities include outdoor green space, garden plots, a fitness center, individual storage units and a multi-purpose community room. Laurel Street Residential has over 35 years of experience in affordable, workforce, and market rate development.

The CHOIF provided a \$4,300,000 subordinate loan. The total development cost of the property is approximately \$16.5 million.

Varick on 7th St. Apartments

Laurel Street Development, LLC and Little Rock CDC
laurelstreetres.com/development/varick-on-7th/

The Varick on 7th Street Apartments (Varick) is a new construction development in Uptown Charlotte. The Varick will offer 105 mixed-income housing units just three blocks of the 7th street light rail station in the historically Black residential area of Ward 1. The development will offer residents proximal access to transportation, employment and health services. Of the 105 units, 20 units will be offered at or below 30% AMI and 50% will be offered at or below 80% AMI.

The Varick is co-sponsored by Laurel Street Development, LLC (Laurel Street) and Little Rock CDC. Laurel Street is a Charlotte-based, minority and women-owned real estate development firm founded in 2011 by Dionne Nelson to create high-quality, mixed-use communities for working families and seniors throughout the Southeast. Little Rock CDC is a nonprofit formed by the Little Rock AME Zion Church and led by Rev. Dr. Dwayne A. Walker.

The CHOIF provided a \$4,187,000 subordinate loan. The total development cost of the property is approximately \$23.5 million.

Wendover Walk

DreamKey Partners
wendoverwalk.com/

Wendover Walk was originally constructed in 1984 and located in the Wendover-Sedgewood area near shopping, public schools and parks. The naturally occurring affordable housing community features six, two-story buildings with one- and two-bedroom apartments. Amenities include a clubhouse, swimming pool, fitness center, laundry facilities, limited access entry and a leasing office.

The sponsor of the development is DreamKey Partners. The property is deed restricted for affordability for the next 30 years. 88% of apartments in Wendover Walk's Neighborhood Profile Area (NPA) have access to low-cost health care within 1/2 mile. The NPA also has the highest median income of all the CHOIF investments, offering residents with lower incomes the options to live in the community.

The CHOIF provided a \$1,300,000 subordinate loan. The total development cost of the property is approximately \$8.5 million.



About the Charlotte Housing Opportunity Investment Fund (CHOIF)

The Charlotte Housing Opportunity Investment Fund (CHOIF) is a mission-driven private investment fund committed to increasing the availability of and access to quality affordable housing in areas of opportunity. The CHOIF leverages the City of Charlotte's Housing Trust Fund and works in tandem with other project-based vouchers, low-cost debt and land donations that have been contributed for affordable housing. The CHOIF was created in partnership with the Foundation For the Carolinas and is managed by LISC Fund Management, LLC, an affiliate of Local Initiatives Support Corporation (LISC).

Learn more at liscstrategicinvestments.org/choif

About LISC Charlotte

Local Initiatives Support Corporation (LISC) is a 40-year Community Development Financial Institution (CDFI) committed to comprehensive community development, including investing capital and resources into small businesses, economic development, affordable housing, health & safety, sports & recreation, and education, as well as building the capacity of non-profit partners. LISC Charlotte supports affordable housing and economic development in Charlotte and its target neighborhood, Historic West End, with a focus on catalyzing economic opportunity while also protecting long-time residents from displacement. Since opening its office in March 2019, LISC Charlotte has invested over \$60M in Charlotte in partnership with the city, philanthropic leaders, corporations, community residents and organizations.

Learn more at lisc.org/charlotte

About LISC Strategic Investments and LISC Fund Management, LLC

LISC Strategic Investments is Local Initiatives Support Corporation's (LISC) national team of experts charged with designing, launching, and managing successful place-based impact funds and innovative capital vehicles across the country. We combine the power of local expertise with the sophistication of national resources to effect significant impact while securing stable returns. Since 1979, LISC has invested \$26.7 billion to create more than 463,000 affordable homes and apartments, develop 78.5 million square feet of retail, community and educational space and help tens of thousands of people find employment and improve their finances. The investment pools sponsored by LISC are available only to eligible investors, are offered only pursuant to their official offering documents, and are managed by LISC Fund Management, which is a wholly-owned subsidiary of LISC. LISC Fund Management, LLC is an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC").

Learn more at liscstrategicinvestments.org

LISC manages and deploys the CHOIF dollars through its tailored investment products geared to maximize the City of Charlotte's Housing Trust Fund dollars alongside low-cost debt, housing vouchers and private capital. These products are unique in that they meet diverse investors' impact and CRA requirements, fill gaps in affordable housing, and can be scaled in Charlotte and cities across the U.S.

