



Electchester Housing Companies

Queens, NY

PROJECT DESCRIPTION

The AFL-CIO Housing Investment Trust (HIT) helped to refinance and rehabilitate the historic Electchester Housing Companies, five limited dividend housing cooperatives located in the New York City neighborhood of Flushing, Queens. Occupying 103 acres, the 38-building residential development has 2,399 co-op units as well as a school, retail and commercial services, playgrounds, and gardens. Built between 1953 and 1966, the property was in need of major capital improvements. The HIT funding was provided to support a utility system conversion from oil to gas, electrical repairs, façade and roofing work, and upgrades to plumbing and sprinkler systems. The HIT financing was also used to retire and restructure existing debt to maintain affordability at Electchester.

HIT ROLE

The HIT provided \$49 million for the project through an 18-month direct loan consisting of separate loans to each of the five housing cooperatives that make up Electchester community. The loans allowed Electchester to refinance its existing above-market financing, which provided a significant savings, and to begin critical repairs on the aging buildings that will also reduce operating costs by making the housing more energy-efficient.

The HIT worked closely with the leadership of the Electchester Housing Companies on the project, which is being financed as part of the HIT's workforce housing initiative, begun in New York City in 2009.

SOCIAL IMPACT

Electchester Housing Companies were established in 1949 by Harry Van Arsdale, Jr., the first president of the merged New York City Central Labor Council and one-time treasurer of the International Brotherhood of Electrical Workers. Van Arsdale worked with the Joint Industry Board of the Electrical Industry to purchase the land on which the residential development would be built in order to provide quality affordable housing for members of IBEW Local

Project Profile

ABOUT THE HIT



By investing in energy-saving capital improvements and preserving affordability at Electchester, the HIT is helping sustain a vital urban community that is home to nearly 5,500 people, many of whom are members of or associated with IBEW Local 3 or other unions.

The debt terms provided the least expensive financing alternative to maintain affordability at these limited dividend co-ops.

All on-site construction work was performed under collective bargaining agreements with local building and construction trades unions, generating an estimated 175 union construction jobs.

The AFL-CIO Housing Investment Trust (HIT) is a fixed-income investment company registered with the Securities and Exchange Commission. It manages over \$5 billion in assets for over 370 investors, which include union and public employee pension plans. The HIT invests primarily in government and agency insured and guaranteed multifamily mortgage-backed securities. The HIT is one of the earliest and most successful practitioners of socially responsible, economically targeted investing, with a track record of over 30 years that demonstrates the added value derived from union-friendly investments. The investment objective of the HIT is to provide competitive returns for its investors and to promote the collateral objectives of constructing affordable housing and generating employment for union members in the construction trades and related industries. Since its inception, the HIT has invested nearly \$8.5 billion (in current dollars) to finance more than 100,000 units of housing nationwide, generating more than 74,000 union jobs. More information is available on the HIT's website, www.aflcio-hit.com.

AFL-CIO HOUSING INVESTMENT TRUST

2401 Pennsylvania Ave, NW Suite 200

Washington D.C. 20037

T: 202-331-8055 | F: 202-331-8190 | www.aflcio-hit.com

