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Over \$19 Million for Financing the Construction of Two Affordable Housing Complexes in Los Angeles

SACRAMENTO, September 30, 2004 – The California Housing Finance Agency's (CalHFA) Board of Directors has approved \$19.32 million in loan packages for the construction of two affordable housing complexes that will serve approximately 130 low income seniors and families with special needs in Los Angeles.

The first project, Encore Hall Senior Apartments, will receive a \$12.6 million loan to finance the construction of a 104-unit complex in the Hollywood area. The loan was requested by Encore Hall Senior Housing, L.P., McCormack Baron Urban Development, and the Gay and Lesbian Elder Housing Corporation, which will develop the project. A 0.86-acre parcel that is currently a parking lot will be developed into a four-story residential structure with fully equipped apartments and 5,000 sq. ft. of community and social services space. The site is situated within walking distance to transportation, a library, medical services, pharmacies, movie theaters and grocery stores. In addition, four experienced service providers will assist the residents both on and off site.

“In the community of Hollywood, over 60% of senior (age 65+) households earn less than \$30,000 per year and over 40,000 seniors are renters,” said Theresa Parker, CalHFA’s Executive Director. “Housing is a tremendous burden for these seniors. CalHFA is eager to lessen their burden. By providing affordable financing to compassionate partners, affordability can be passed on to those in need of a safe and decent home.”

The second project, Las Flores, will provide new affordable housing for families in East Los Angeles. The East LA Community Corporation and A Community of Friends will receive financing from CalHFA of \$6.7 million for the construction of 25 apartments, with rents at approximately 50% of the market rates. The apartments will serve low-income families who are below 50% of the area median income. Twelve of the apartments will serve families with special needs and receive additional rent subsidies.

Both projects will receive CalHFA construction and first mortgage loans. Each will receive 3% low interest loans. The packages for each project vary by length of terms, tax-exempt and taxable, and variable and fixed interest rates. Other community organizations will provide additional funding for both projects.

CalHFA, the State’s affordable housing bank, was chartered in 1975 to meet the housing needs of low and moderate income Californians. More information on the Multifamily Loan Finance programs and the full complement of CalHFA programs is available at 1.800.789.2432 or www.calhfa.ca.gov.

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