

**AFL-CIO HOUSING INVESTMENT TRUST TO PROVIDE \$9.8 MILLION
FOR HOUSING AT CITY UNIVERSITY OF NEW YORK, CREATING NEW CONSTRUCTION JOBS**

East Harlem Project will be Union Built and Financed

New York – The AFL-CIO Housing Investment Trust (HIT) has announced a commitment of \$9.8 million to help build housing for faculty and graduate students at the new campus of the City University of New York (CUNY) in East Harlem. Work on the project is expected to create approximately 166 union construction jobs.

The \$28.8 million Graduate Center Housing facility will feature 77 housing units, including 64 units for graduate students and 12 apartments for college faculty. The HIT is using pension capital to provide financing for the project through the purchase of bonds issued by the New York City Housing Development Corporation.

“We are particularly pleased that the investment will support the University’s economic development activity in East Harlem at a time when construction unemployment is unacceptably high and jobs are badly needed,” said Carol Nixon, Director of the HIT’s New York City office. “This project will not only help CUNY meet its housing needs but also create good jobs for members of New York’s building trades unions.”

All on-site construction work on the CUNY project will be performed under collective bargaining agreements with local building and construction trades unions.

“With five New York City pension plans participating in the HIT, we are pleased that the HIT is helping to meet the housing and community development needs of the city,” said New York City Comptroller John C. Liu. “The HIT invests millions of pension dollars in our city to achieve competitive returns for our pension plans and also support our City’s goals for affordable housing.” Liu serves as custodian and investment advisor to the boards of the five New York City public pension funds.

Eric Price, Managing Director, Housing and Community Development Investments at the HIT, said the project is a sound investment for the HIT. “This is a good example of what we like to call ‘triple bottom line investing,’” Mr. Price said. “The investment should generate competitive returns for HIT investors, good jobs for New York’s union members, and a more vibrant, livable community in East Harlem.”

The jobs created by the CUNY project move the HIT closer to its goal of creating 10,000 union construction jobs to help combat high unemployment and support economic recovery in communities around the country. The HIT is more than two-thirds of the way to this goal and expects to surpass 10,000 jobs nationwide by the spring of 2011.

CUNY's Graduate Center Housing is one of the HIT's latest investments through its workforce housing initiative begun in New York City in 2009. Through this initiative, the HIT has invested \$31 million to create or preserve 2,257 housing units for middle-income households. Two affordable housing projects are also under construction in Harlem with a total of \$24.5 million in HIT financing: the 80-unit Dempsey and the 70-unit Douglass Park, together representing 320 union construction jobs. The HIT has committed a total of \$517 million for projects in the New York City metro area since 2002, creating or preserving the affordability of 21,020 units of housing. With projects having a total estimated value of over \$1.8 billion, these investments have generated approximately 3,000 jobs for union construction workers in New York.

About the HIT

The AFL-CIO Housing Investment Trust is a fixed-income investment company registered with the Securities and Exchange Commission. It manages nearly \$3.9 billion in assets for 350 investors, which include union and public employee pension plans. Thirty five of these investors are in New York. The HIT invests primarily in government and agency insured and guaranteed multifamily and single family mortgage-backed securities. The HIT is one of the earliest and most successful practitioners of socially responsible, economically targeted investing, with a 45-year track record 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 \$5.8 billion to finance 95,000 units of housing nationwide, generating approximately 64,000 union jobs.