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Housing Partnership Equity Trust Acquires Fourth Multifamily Rental Property

*Social Impact REIT Collaborates with Hispanic Housing Development Corporation;
Preserves Affordability of 173-Unit Building Near Chicago*

(WASHINGTON, October 14, 2014) — Housing Partnership Equity Trust, in collaboration with Hispanic Housing Development Corporation, has purchased Mallard Point Apartments, a 173-unit rental property in Channahon, Illinois. This is the latest acquisition for HPET, a ground-breaking social impact investment vehicle created by the Housing Partnership Network and 12 high-capacity nonprofit housing developers to preserve naturally affordable rental homes for families, seniors and others with low and modest incomes. This innovative approach to attracting new sources of private equity to the affordable housing space launched in 2013 with investments from Prudential Financial, Inc., Citi, Morgan Stanley, the John D. and Catherine T. MacArthur Foundation, and the Ford Foundation. HPN and the 12 nonprofit members of the REIT are also investors.

Hispanic Housing Development Corporation, a member of the REIT and a leading nonprofit housing developer in the Chicago area, will manage and operate Mallard Point. The property sits on more than 30 acres of land near the intersection of Interstate 55 and Interstate 80, and features a mix of one- and two-bedroom rental units. Due to its proximity to Chicago and major roadways, Channahon has become a key warehouse distribution center for major retailers, including Trader Joe's, Macy's and Caterpillar. In addition, the city is experiencing tremendous economic growth and Mallard Point represents one of the few rental properties in the area.

"The acquisition of Mallard Point really demonstrates our ability to acquire properties that serve low- and moderate-income working families without government subsidy," said Drew Ades, president of Housing Partnership Equity Trust. "Preserving this property is critically important since it is really the only rental option for folks taking advantage of the job growth in this area."

"Acquiring Mallard Point fits in well with our larger acquisition strategy for the region, and complements our mission to enable people in all the communities we serve to better the lives of their families, neighbors and themselves," said Hipolito "Paul" Roldan, president of Hispanic Housing Development Corporation. "Working with HPET was critical to bringing this property into our portfolio."

As the first affordable housing REIT created and managed by nonprofits, HPET invests long-term, low-cost capital alongside its nonprofit partners, enabling them to acquire rental properties quickly and efficiently. In many cases, to fund deals, nonprofits housing developers arrange complex financing packages that include federal housing tax credits and others public subsidies. The process can take up to two years. However, through HPET, nonprofit members are able to better compete with for-profit developers for properties in the communities they serve.

In addition, HPET provides an attractive, stable investment opportunity for impact investors who wish to balance risk and returns with social mission outcomes.

The 12 nonprofit members of HPET are: AHC Inc.; BRIDGE Housing Corporation; Chicanos Por La Causa, Inc.; Community Preservation and Development Corporation; Eden Housing, Inc.; Hispanic Housing Development Corporation; Homes for America, Inc.; LINC Housing Corporation; Mercy Housing; Nevada HAND, Inc.; The NHP Foundation; and NHT/Enterprise.

Along with providing safe and decent affordable units, the nonprofit members of HPET offer a range of resident services, including health care and after school programs, and are committed to sustainability.

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Housing Partnership Equity Trust is a social-purpose real estate investment trust created to preserve naturally affordable multifamily rental properties for families, seniors and others with modest incomes. Created in partnership with 12 mission-driven nonprofits, and sponsored and operated by the Housing Partnership Network, HPET provides a ready source of long-term, low-cost capital for its nonprofit members, enabling them to quickly and efficiently acquire rental apartment buildings. HPET launched in 2013 with an initial investment of \$100 million funded by investors, foundations, its nonprofit members, and HPN. To learn more, visit www.hpequitytrust.com.

Hispanic Housing Development Corporation is a nonprofit organization founded in 1975 to help create affordable housing in Chicago's Latino neighborhoods. Today, HHDC helps people across the Chicago area to improve their lives and achieve the American dream. HHDC builds comfortable, affordable housing that people are proud to call home, and creates employment and business opportunities that become a catalyst for economic prosperity that helps communities flourish for people of all ages. HHDC's comprehensive approach helps to create and maintain healthy communities, in line with its mission to help people make a better life for themselves, their families, and their neighbors. To learn more, visit www.hispanichousingdevelopment.com.

Housing Partnership Network is an award-winning business collaborative of 100 of the nation's leading affordable housing and community development nonprofits. Creating private sector partnerships and enterprises that achieve ambitious social missions, HPN and its member organizations work together to scale innovation and impact, helping millions of people gain access to affordable homes and thriving communities that offer economic opportunity and an enhanced quality of life. In 2013, HPN received a MacArthur Foundation Award for Creative and Effective Institutions, and a Wells Fargo NEXT Opportunity Award in recognition of its ongoing leadership and innovation in affordable housing and community development. To learn more, visit www.housingpartnership.net.