

Private Sector Investments in Affordable Housing

Local banks and businesses, in Charlotte, NC, committed to help finance affordable housing in a variety of ways.

City: Charlotte, NC

Purpose: To engage private sector resources to make investments in affordable housing for their communities.

Lead Stakeholders: Community, Business

Process: In response to a persistent shortage in affordable housing, private sector actors in Charlotte, NC have begun to invest in affordable housing in a variety of ways.

In the Spring of 2018, the Charlotte Housing Opportunity Investment Fund (CHOIF) launched to receive contributions from businesses and to work in tandem with the City's official housing fund. By September 2019, it had \$43 million on hand, including investments from Wells Fargo, SunTrust, Ally, Bank of America, Barings, Atrium Health, and Duke Energy.

Ally, Bank of America, and Barings also committed \$7.25 million in donated land for affordable housing. These three organizations also committed \$50 million in below-market loans to finance affordable housing developments.

Outcomes:

- Over **\$43 million committed to a philanthropic fund**, resulting in **over 1,927 new or preserved affordable units**.
- **\$50 million in below-market loans** priced up to 2% under market rates, projected to save affordable developers \$1 million per year for 15 years.
- **\$7.25 million in donated land** for affordable housing.

