



RECOVERY ACT FUNDS TO BUILD AFFORDABLE HOUSING IN CHANUTE

--Tax Credit Exchange Program Awards \$4.3 Million for Housing Complex in Disaster-Impacted Community--

Chanute – Kansas Housing Resources Corporation (KHRC) has awarded nearly \$4.3 million in Recovery Act funds to help finance the construction of 42 energy-efficient, affordable apartments in Chanute. The disaster-affected community had nearly 75 homes and a sizable number of local businesses damaged by flooding in 2007.

“Today’s award plays an important role in rebuilding essential housing lost to natural disasters,” said Fred Bentley, KHRC’s Rental Housing Director. “This funding will provide dozens of Kansas families with a safe, affordable place to call home and help Chanute bounce back bigger and stronger.”

The funding comes from the Tax Credit Exchange Program, created by the American Recovery and Reinvestment Act of 2009. Additional funding for the development includes a \$375,000 disaster assistance loan from the State of Kansas.

“This development is good news for Chanute,” said Mayor Ed Cox. “The complex gives young families more choice in where to live, and because the units will be energy efficient, their monthly heating and cooling bills will also be lower.”

Located at 302 Denman in Chanute, Cornerstone Apartments will offer the two- and three-bedroom apartments to residents who earn less than 60 percent of the area median income. All units will feature ENERGY STAR® appliances, private entries, individual laundry facilities and garages. First floor apartments will be handicap accessible. Rents for the units will range from \$345 to \$590.

The developer, Cornerstone Associates, L.L.C., expects the property to open during Spring of 2010.

The Tax Credit Exchange Program, also referred to as the Exchange Program, gives state housing finance agencies, such as KHRC, the option of turning in unused and returned 2008 Low-Income Housing Tax Credits (LIHTC) for cash grants. These grants

can be used to fill financing gaps caused by the recent collapse of the tax credit market and to jumpstart stalled housing developments.

Originally created by Congress in 1986, LIHTC is considered one of the most successful affordable housing programs in the country, generating equity to support construction of nearly 1.7 million affordable rental housing units nationwide.

For more information on Cornerstone Apartments, to download an application or view floor plans, click here: <http://www.beacon-mgmt.com/ks.htm>. For more information on the Low Income Tax Credit Program, visit KHRC's website at www.kshousingcorp.org.