



NEWS RELEASE

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ENTERPRISE MORTGAGE INVESTMENTS TO SERVICE \$13.6 MILLION BOND ISSUANCE FOR SENIOR HOUSING

Deal Will Support 220 Units of Affordable Housing In Suburban Washington, D.C.

Columbia, MD (April 26, 2005) – Enterprise Mortgage Investments, Inc. (EMI) today announced that it has closed a \$13.6 million bond issuance by the Prince George’s County Housing Authority for the refinancing and moderate rehabilitation of 220 units of affordable, senior housing in Bladensburg, Maryland.

The property, known as Emerson House, was built in 1979. It is currently owned by the Daniel Housing Corporation, a nonprofit company that plans to use \$2.4 million of the capital generated by the bond sale to renovate the property’s kitchens, community rooms, elevators, and roof. The remainder of the capital will be used to refinance the existing debt on the property. Fannie Mae provided credit enhancement to maximize the value of the bond issuance. EMI was the property underwriter and will service the transaction.

“This project embodies our efforts to provide permanent financing for affordable housing,” said Jeff Stern, president of EMI. “Fannie Mae is a critical partner in this endeavor and worked closely with EMI staff, who did a great job in structuring this complex financial transaction, to make the Emerson House renovation possible. Together, we want to ensure that low-income families and individuals will always have decent, respectable housing. For us, affordable housing isn’t a quota, it’s a commitment.”

The bond is a 501(c)3 tax-exempt instrument, meaning that it must be used by a nonprofit entity to fund affordable housing. In this case, at least 75 percent of the apartments at Emerson House must be affordable to residents earning 80 percent of the area median income. In addition, the property has a long-term Section 8 contract with the U.S. Department of Housing and Urban Development (HUD). The contract runs through May 2019 and places a cap on the rent that each resident must pay. That cap is 30 percent of a resident’s income. HUD subsidies cover any difference between that cap and a resident’s actual rent obligation.

Enterprise Mortgage Investments, Inc. is a subsidiary of The Enterprise Social Investment Corporation (ESIC). EMI is a full-service lender committed to providing the resources that developers need to build and maintain affordable, multifamily rental housing. EMI has placed more than \$385 million in loans since its founding in 1994.

ESIC is one of the nation’s leading providers of community development capital, tax credit equity investments, and development services for affordable housing, mixed-use, and commercial development. Founded in 1984, ESIC advocated for, and took a lead role in, the creation of Low Income Housing Tax Credit (LIHTC) legislation. Since the LIHTC program’s inception in 1986, ESIC has raised and currently manages \$4.7 billion in equity through more than 85 investment funds, including national multi-investor funds, private label funds, and regional funds. These investments are helping to build more than 75,000 affordable homes in 45 states, the District of Columbia, and Puerto Rico.

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