



**HOUSING AND COMMUNITY DEVELOPMENT
CORPORATION OF HAWAII**

NEWS RELEASE

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**STATE TO AWARD ADDITIONAL LOW-INTEREST LOANS TO BUILD
MORE AFFORDABLE HOUSING**

HONOLULU – As part of the Lingle-Aiona Administration's ongoing effort to ease the shortage of affordable rental homes, the Housing and Community Development Corporation of Hawaii (HCDCH) plans to award additional low-interest loans to affordable housing developers this fall. HCDCH previously accepted applications and made awards once each year. By adding a second funding cycle each year, the state hopes to increase the availability of affordable rental homes.

Funding for the loans comes from the state's Rental Housing Trust Fund – fees paid on all real estate transactions in Hawaii. The fund was enacted in 1992 and has awarded loans since 1994.

“The Rental Housing Trust Fund was created to provide funding for affordable rental housing developments that may not be able to secure gap financing,” said Stephanie Aveiro, executive director of the HCDCH. “It helps developers leverage their funds, fill any funding gaps, and get more affordable rental units on the market” she said.

Funds may be awarded as a loan or grant and must be used to develop, construct, acquire, preserve, or substantially rehabilitate affordable rental housing units. Private and public developers may apply for funds, provided their project meets the Rental Housing Trust Fund criteria specified by law.

In the past two years, HCDCH has awarded \$7.8 million for the construction, acquisition and or rehabilitation of 225 affordable housing units statewide. Up to \$16 million may be awarded during this funding cycle.

Applications must be submitted by June 30, 2006. HCDCH anticipates the process to be completed in November 2006. Interested developers should call the HCDCH finance office at (808) 587-0567 for details.

**For more information, contact:
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