



NEWS RELEASE

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Providence Community Housing and Enterprise Break Ground at Annunciation Inn Senior Housing

*\$13 Million Renovation is First of 900 Apartments to be Rehabilitated for
Seniors Returning to New Orleans*

NEW ORLEANS – December 7, 2007 – Providence Community Housing and Enterprise today announced the groundbreaking for the rehabilitation of Annunciation Inn, a complex of 106 apartments for low-income seniors age 62 or older in the St. Roch neighborhood in New Orleans' Upper Ninth Ward. Located at 1220 Spain Street, Annunciation Inn was damaged in 2005 by Hurricane Katrina and will receive approximately \$6 million in renovations. Project partners were joined by New Orleans City Councilmember James Carter, neighbors and former and future residents to mark the beginning of rehabilitation for Annunciation Inn, slated to open in Fall 2008. Annunciation Inn is the first of eight properties totaling 900 units to be redeveloped by Providence with GO Zone Low-Income Housing Tax Credit (LIHTC) financing from Enterprise.

“The groundbreaking of Annunciation Inn marks another important step in the recovery of our community,” said Jim Kelly, President and CEO of Providence Community Housing. “We are confident that in the coming months, with God's grace and the continued support of our partners like Enterprise and the Louisiana Housing Finance Agency, we can successfully repair and rebuild hundreds more critically needed apartments for our seniors who so desperately want to come home.”

Financing for Annunciation Inn includes \$8.3 million in LIHTC equity from Enterprise as well as bridge financing from JPMorgan Chase and a federally-insured permanent mortgage from the U.S. Department of Housing and Urban Development (HUD) through Sims Mortgage Funding. Tax credits were allocated by the Louisiana Housing Finance Agency (LHFA) in late 2006. Annunciation Inn is the second property rehabilitated by Providence for seniors returning to the community. Providence's first post-Katrina rehab project, St. Ann Square Apartments at 2123 Ursulines Avenue, reopened in November 2007.

“This is another example of how strong partnerships work to the benefit of Louisiana citizens,” said Milton Bailey, President of the LHFA. “And it represents another step forward in our state's efforts to recover displaced residents. This is the type of quality housing Louisiana citizens deserve and we are happy to have played a part.”

“Enterprise is committed to rebuilding the Gulf Coast through providing equity and financing to bring affordable housing and families back to New Orleans,” said Charles R. Werhane, Vice

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Chairman and Chief Operating Officer, Enterprise Community Investment, Inc. “We are pleased to partner with Providence and our local partners to provide fit and affordable housing for residents who have called New Orleans home for many years. Enterprise looks forward to working with our local partners to provide housing opportunities for many more families returning to this great city.”

Built in 1981 under HUD’s Section 202 program, Annunciation Inn is a five-story apartment complex for qualified seniors who earn less than 50 percent of the area median income. Due to the damage in the days following Hurricane Katrina in 2005, the building will be substantially rehabilitated by Providence Community Housing for New Orleans’ returning seniors. Annunciation Inn will feature modernized one-bedroom apartments, multi-purpose space and community kitchen, courtyard and significant residential amenities.

“Christopher Homes is looking forward to the day that we can welcome our seniors back,” said Dennis F. Adams, Christopher Homes Executive Director.

Christopher Homes, Inc., (CHI) will continue to manage the property and will provide a comprehensive network of support services, including meal programs, mental health counseling, transportation, exercise therapy and nutritional guidance.

“With our partners in the Gulf, Enterprise is committed to rebuilding 10,000 quality affordable homes in vibrant and sustainable communities so low-income residents displaced by hurricanes Katrina and Rita can finally come home,” said Doris W. Koo, president and CEO of Enterprise Community Partners. “Annunciation Inn represents the first step on this journey to recovery.”

Annunciation Inn, through Christopher Homes, will also provide service coordinators to assist residents with their individual needs. Funds have been provided by Catholic Charities USA to help returning seniors with relocation expenses and other transitional expenses. A shuttle service will be provided to reconnect residents with other vital community services. In addition, Providence is coordinating with PACE, a private non-profit health care provider, to facilitate health services.

Each property in the Providence senior housing portfolio will have a project-based rental subsidies, which will ensure affordability for returning residents over time, especially for seniors on fixed incomes.

Based in New Orleans, Providence Community Housing is a non-profit affordable housing developer founded by a coalition of Catholic groups in April 2006 in the aftermath of Hurricane Katrina. Providence has a five-year goal to bring home 20,000 victims of Hurricane Katrina by restoring, rebuilding or developing 7,000 homes to foster healthy, diverse and vibrant new communities, both single-family homes and apartments – including 1,500 affordable homes for seniors. Visit www.providencech.org to learn more about Providence’s work in the City of New Orleans.

Christopher Homes, Inc. is the housing agency of the Archdiocese of New Orleans. Founded in 1966, under the auspices of Archdiocesan commission on Housing and Community Life, with a mandate to provide affordable and decent housing in our community, the agency has grown to become the premier manager of affordable senior housing in the Gulf Coast area. Prior to the devastation of Hurricane Katrina, Christopher Homes was managing 24 properties which included over 2,400 apartments of senior HUD subsidized housing and one property of 200

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apartments of HUD subsidized family housing. Currently, Christopher Homes own or manages 11 apartment complexes housing the elderly and those with physical disabilities in nearly 1,300 apartment units. Please visit www.chrisopherhomesinc.org to learn more of our commitment to serving the elderly of the metropolitan New Orleans area.

Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. For 25 years, Enterprise has pioneered neighborhood solutions through public-private partnerships with financial institutions, governments and community organizations. Enterprise has raised and invested \$8 billion in equity, grants and loans to finance more than 225,000 affordable rental and for-sale homes. Enterprise currently invests in communities at a rate of \$1 billion a year. Visit www.enterprisecommunity.org and www.enterprisecommunity.com to learn more about Enterprise's efforts to build communities and opportunity.

Sims Mortgage Funding, Inc. (SMF) specializes in originating HUD-insured loans for healthcare, senior housing and multifamily rental projects. SMF was established in 1984 as a subsidiary of Herbert J. Sims & Co., Inc. a nationally-recognized investment firm that specializes in the senior housing industry. SMF has closed on over \$815 million in HUD insured loans for 86 projects. Approximately 84% of that volume has been for senior housing, nursing home and assisted living transactions involving new construction, rehabilitation, additions, upgrades, acquisitions and refinancings. The Company has had a long and successful partnership with the New Orleans HUD Office going back to the mid-1990s. We have closed over \$150 million in insured loans with the New Orleans Office that include healthcare and affordable housing transactions for the Will Woods Foundation, the Archdiocese of New Orleans and Christopher Homes, Inc. For more information about Sims Mortgage Funding, Inc. and its services, contact Anthony Luzzi, Executive Vice President, at 845-620-0200 or aluzzi@sismortgage.com.

JPMorgan Chase is committed to building vibrant communities that benefit our customers, employees, neighbors and future generations. Corporate citizenship is fundamental to our success as a firm. JPMorgan Chase has made an \$800 billion commitment to invest in our communities and make access to good, affordable housing available to low-to-moderate income families across America. Chase also offers its employees - including 3,750 bankers in Louisiana - opportunities to give back to the communities we serve through a range of volunteerism activities. For more information, please contact Greg Hassell, Regional Media Relations JPMorgan Chase, 713-216-5009 or Greg.Hassell@chase.com.

The Louisiana Housing Finance Agency (LHFA) was created by the Louisiana Legislature to address the shortage of safe and affordable housing in Louisiana. Since 1980, LHFA has administered federal and state funds through programs designed to advance the development of energy efficient and affordable housing for low and moderate income families. Post-Katrina, LHFA has been a viable resource in the development of rental housing and homeownership finance opportunities.