

YAHOO NEWS

CVS Health Invests \$67 Million in Affordable Housing Across the Country in 2019

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Company plans to exceed that amount in 2020 to help address housing insecurities and promote community health improvement

WOONSOCKET, R.I., Feb. 11, 2020 /PRNewswire/ -- To help provide support to underserved populations across the country, CVS Health (NYSE: CVS) invested \$67 million in affordable housing in 2019. The investments helped to create more than 2,200 affordable homes with supportive services for individuals and families across 24 cities in six states.

CVS Health's investments in affordable housing – as well as collaborations with community groups in these areas – help provide support for at-risk individuals. Through the 2019 investments, nearly 300 Permanent Supportive Housing (PSH) units will be made available for residents who are victims of domestic violence, experiencing homelessness, affected by chronic illness, requiring behavioral health and addiction treatment or are challenged by similar life and health situations. There are 450 additional units dedicated to housing seniors, 59 units reserved specifically for veterans and their families, and 38 units dedicated to housing American Indian individuals and their families.

"Providing affordable housing options to people who are facing significant challenges can be their first step on a path to better health," said Karen S. Lynch, Executive Vice President, CVS Health and President, Aetna Business Unit. "However, we understand that more support is often needed - that is why we work with community organizations to provide access to services such as independent living skills, cooking and nutrition, financial literacy, health information classes, resident outreach and engagement, client centered treatment plans and social support."

Efforts to address housing insecurity are a core part of Destination: Health, a series of CVS Health business programs focused on helping people improve their health outside of a clinical setting.

Since 1997, CVS Health and Aetna, a CVS Health company, have combined to invest more than \$1 billion in affordable housing and community investments. These investments have led to the building and renovation of over 93,000 affordable rental units, positively impacting hundreds of thousands of low-income individuals, families, and seniors.

Commitment to California

While CVS Health has invested in affordable housing in different locations across the country, California is a specific focus of the investment strategy.

"We have made more than \$160 million of affordable housing investments in California over the past twenty years, including nearly \$50 million in the past two years alone," said Kristen Miranda, California Market President for Aetna, a CVS Health company. "These investments are helping to address the unique needs of residents in California, helping to improve health at both the individual

and community level. We will continue to look for opportunities where we can invest to support those who need it the most throughout the state."

Recent examples of investments in California include:

- In February 2020, in partnership with CREA, LLC, CVS Health is closing an \$8.1M commitment to finance the development of 85 affordable housing units in collaboration with the East LA Community Corporation (ELACC) and New Directions for Veterans (New Directions). 63 units are reserved for people experiencing homelessness (44 specifically for veterans). Through our work with ELACC and New Directions, residents will have access to services such as after school tutoring, employment services, substance use treatment, legal assistance, peer support and advocacy and medication management.
- On February 14, 2020, CVS Health is sponsoring the grand opening of Sequoia Commons in Goshen, CA, a 66-unit low-income community made possible by funding support from CVS Health, the California Department of Housing and Community Development, the Federal Home Loan Bank of San Francisco, Red Stone Equity Partners and Pacific Western Bank. CVS Health is collaborating with the developer, Self Help Enterprises, to help provide a robust program of on-site resident services, including job training, health and medical services, financial training and homebuyer education.
- In December 2019, CVS Health closed on a \$25 million commitment to Red Stone Equity – 2019 CA Regional Fund, L.P., an investment fund designed to construct and/or rehabilitate over 500 units of affordable housing in five cities throughout California. These units will be offered to a wide range of individuals, including those requiring mental health services, seniors, as well as veterans and their families.
- In November 2019, CVS Health sponsored the grand opening of Bishop Street Studios in San Luis Obispo, CA, an abandoned orphanage that was transformed into 33 affordable Permanent Supportive Housing units for individuals with mental health issues through funding support from CVS Health, the Transitions-Mental Health Association (THMA) and the Housing Authority of San Luis Obispo.

Investments Across the Country

In addition to California, CVS Health's 2019 affordable housing investments were spread across the country to locations in Georgia, Hawaii, New Hampshire, Oregon and Texas. In 2020, CVS Health expects to surpass 2019 investment totals and the number of states impacted, with \$25 million committed to investments in Ohio and another \$50 million in investments currently being underwritten coast to coast.

Some of these investments will have grand openings during 2020, helping local community members with access to new affordable housing options. Examples include the following investments made in partnership with Hunt Capital Partners, LLC:

- Mistletoe Station in Fort Worth, TX, a new 74-unit affordable housing development including units set aside for veterans, farm workers, women experiencing violence, persons with disabilities, HIV/AIDS diagnoses or who are experiencing homeless.
- Union Landing Apartments in Union City, GA, a new 240-unit development helping Fulton County's low to moderate income individuals and families access affordable housing and services.

"We recognize the strong connection between housing and health," said Keli Savage, Head of Impact Investment Strategy, CVS Health. "We are focused on cultivating the right relationships with community organizations across the country and combining strategic investments in housing with services to address the specific needs of our communities."

About CVS Health

CVS Health is the nation's premier health innovation company helping people on their path to better health. Whether in one of its pharmacies or through its health services and plans, CVS Health is pioneering a bold new approach to total health by making quality care more affordable, accessible, simple and seamless. CVS Health is community-based and locally focused, engaging consumers with the care they need when and where they need it. The Company has approximately 9,900 retail locations, approximately 1,100 walk-in medical clinics, a leading pharmacy benefits manager with approximately 102 million plan members, a dedicated senior pharmacy care business serving more than one million patients per year and expanding specialty pharmacy services. CVS Health also serves an estimated 38 million people through traditional, voluntary and consumer-directed health insurance products and related services, including rapidly expanding Medicare Advantage offerings and a leading standalone Medicare Part D prescription drug plan. The Company believes its innovative health care model increases access to quality care, delivers better health outcomes and lowers overall health care costs. Find more information about how CVS Health is shaping the future of health at <https://www.cvshealth.com>.

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