
AFL-CIO HOUSING INVESTMENT TRUST

COMPETITIVE RETURNS | UNION CONSTRUCTION JOBS | HOUSING FINANCE

[FUND NAME]

[DATE], 2024

Project Picture

[Project Name], [Project City, State]

SUMMARY OF THE HIT

Overview

- \$6.6 billion investment grade fixed-income portfolio
- Internally managed, open-end institutional mutual fund under Investment Company Act of 1940
- Socially responsible investment vehicle

Long History and Track Record

- Opened doors in 1984 (successor to the Mortgage Investment Trust, started in 1965)
- Diverse leadership team with average 29 years experience, 20 years at HIT
- Record of consistent and competitive returns

Investment Strategy

- Focus on high credit quality multifamily mortgage securities
- Higher income with superior credit quality and similar interest rate risk
- Provides liquidity and diversification versus other core strategies

Active Impact Investing

- Affordable housing creation and preservation
- Union construction jobs creation
- Successful ESG record generating economic impacts that benefit underserved communities

As of June 30, 2024

WHY HIT NOW? – RELATIVE VALUE AND IMPACT INVESTING



Higher yield

- Portfolio yield of 5.65% – attractive relative to the last two decades*
- Yield advantage of 65 bps relative to the Bloomberg Aggregate[^]
- Multifamily spreads wider than historical averages – HIT portfolio performance stands to benefit if spreads regress towards their mean



Superior credit quality vs. the Bloomberg Aggregate

- 94.8% government/agency/cash** relative to the benchmark's 71.9%[^]
- Portfolio rating of Aa1 relative to the benchmark's Aa2
- Provides diversification from corporate credit within fixed income



Generating union jobs, creating or preserving housing – primarily affordable, and promoting economic impacts***

- 39 projects under construction at quarter-end, generating an estimated 24.5 million hours of union construction work and 6,209 units of housing
- Committed \$158 million to seven projects with total development cost of \$542 million in second quarter of 2024

* See slide 6 for more detail on current portfolio yield performance.

** Includes US Government Agency Securities (GNMA, FNMA, FRE), Treasury, and State and Local Housing Finance Agency securities.

*** Includes projects receiving NMTA allocations by HIT subsidiary Building America CDE, Inc.

Data current as June 30, 2024. HIT's net performance for the 1-, 3-, 5-, and 10-year periods ended July 31, 2024 was 6.25%, -2.70%, -0.11%, and 1.41%, respectively. The performance data quoted represents past performance and is no guarantee of future results. Investment results and principal value will fluctuate so that units in the HIT, when redeemed, may be worth more or less than the original cost. The HIT's current performance data may be lower or higher than the performance data quoted. Performance data current to the most recent month-end is available from the HIT's website at www.aflicio-hit.com. Gross performance figures do not reflect the deduction of HIT expenses. Net performance figures reflect the deduction of HIT expenses and are the performance returns that HIT's investors obtain. Information about HIT expenses can be found on page 1 of the HIT's current prospectus.

[^] Source: Bloomberg Index Services Limited

HIT'S LONG HISTORY OF IMPACT INVESTING

NATIONWIDE ECONOMIC IMPACT OF INVESTMENTS*
(1984-present)

Project Picture

[Project Name]
[Project City, State]

| | | | | | | | |
|------------|--|---------------------------|----------------------------|---|--|---|---|
| 607 | \$10.9 Billion | \$21.9 Billion | \$47.6 Billion | \$20.2 Billion | 207.6 Million | 237,200 | 129,003 |
| Projects | in HIT Investment, including New Markets Tax Credit (NMTC) allocations | in total development cost | in total economic benefits | in personal income, including wages and benefits with \$10.4 Billion for construction workers | hours of on-site union construction work created | total jobs generated across communities | housing and healthcare units, with 67% affordable housing |

*Source: Pinnacle Economics, Inc., and HIT. Job and economic impacts provided are estimates calculated using IMPLAN, an input-output model based on HIT and HIT subsidiary Building America CDE, Inc. project data. Data current as of June 30, 2024. Economic impact data is in 2023 dollars and all other figures are nominal.

HIT'S INVESTMENT IN MAJOR MARKETS*

| (1984- 2024) | Bay Area | Boston | Chicago | New York City | Twin Cities | Major Markets | Nationwide |
|---|----------------|----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| # of Projects | 22 | 42 | 67 | 76 | 83 | 290 | 607 |
| HIT Investment^o | \$484.7M | \$820.9M | \$1.1B | \$2.0B | \$1.6B | \$6.1B | \$10.9B |
| Total Development Cost | \$915.4M | \$2.2B | \$2.9B | \$5.0B | \$2.5B | \$13.5B | \$21.9B |
| Union Construction Hours | 10.5M | 16.8M | 24.9M | 26.2M | 22.0M | 100.5M | 207.6M |
| Total Jobs Created | 11,585 | 20,475 | 28,484 | 29,358 | 27,899 | 117,801 | 237,200 |
| Housing Units (% affordable) | 3,578 (36%) | 4,871 (90%) | 14,773 (68%) | 44,609 (92%) | 11,876 (53%) | 79,707 (79%) | 129,003 (67%) |
| Total Economic Impact | \$2.4B | \$4.5B | \$5.5B | \$6.3B | \$5.5B | \$24.1B | \$47.6B |

^o Includes NMTC allocations by HIT subsidiary Building America CDE, Inc. as follows: \$21M in Boston, \$10M in Chicago, \$8M in NYC. \$247M nationwide

*Source: Pinnacle Economics, Inc., and HIT. Job and economic impacts provided are estimates calculated using IMPLAN, an input-output model based on HIT and HIT subsidiary Building America CDE, Inc. project data. Data current as of June 30, 2024. Economic impact data is in 2023 dollars and all other figures are nominal.

HIT OBJECTIVES AND STRATEGY

Objectives

- Generate competitive risk-adjusted total returns versus its benchmark
- Create work for union members in the construction trades and related industries
- Support housing construction including affordable and workforce

Strategy

- Construct and manage a portfolio with:
 - superior credit quality
 - higher yield
 - similar interest rate risk relative to its benchmark

Core Competency

- Specialize in directly sourced multifamily mortgage-backed securities (MBS) that create jobs and housing (including affordable)
- Multifamily MBS tend to provide an income advantage compared to other securities with comparable credit and interest rate risk
- Offer diversification to investors and liquidity

RELATIVE VALUE – FUNDAMENTALS VS. BENCHMARK

As of June 30, 2024

| | HIT | Bloomberg Agg [^] | | HIT | Bloomberg Agg [^] |
|------------------------------|-------|-------------------------------|-----------------------------------|------|-------------------------------|
| Higher Credit Quality | | | Similar Interest Rate Risk | | |
| Government/Agency/ Cash* | 94.8% | 71.9% | Effective Duration | 5.97 | 6.02 |
| A & Below/Not Rated | 5.2% | 23.7% | Convexity | 0.20 | 0.27 |
| Quality Rating | Aa1 | Aa2 | | | |
| Higher Yield | | | Similar Prepayment Risk | | |
| Current Yield | 4.05% | 3.68% | Prepayment Protection | 72% | 74% |
| Yield to Worst | 5.65% | 5.00% | No Prepayment Protection | 28% | 26% |

The calculation of the HIT yield herein represents a widely accepted portfolio characteristic based on coupon rate and current price and is not current yield or other performance data as defined by the SEC in Rule 482.

** Includes US Government Agency Securities (GNMA, FNMA, FRE), Treasury, and State and Local Housing Finance Agency securities.*

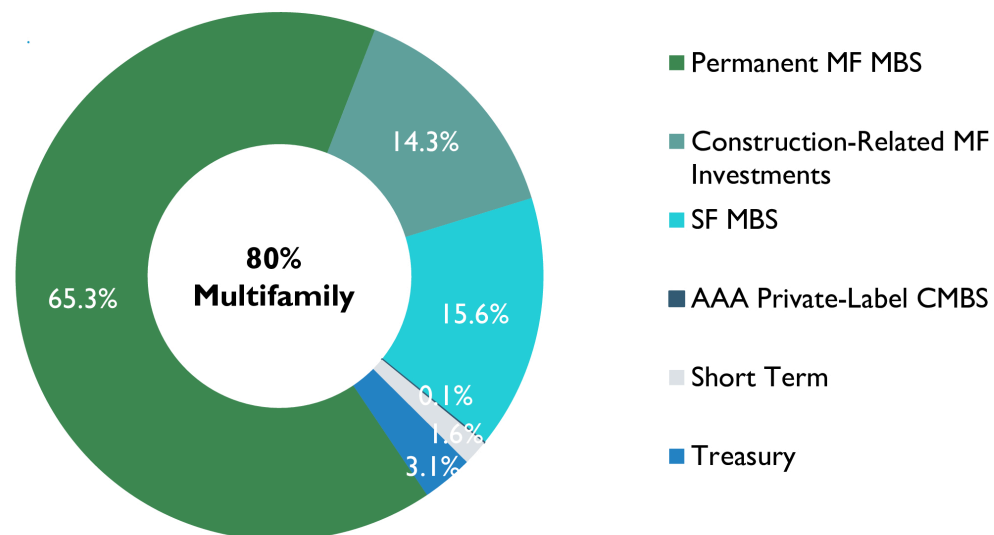
[^] Source: Bloomberg Index Services Limited

OVERWEIGHT TO MULTIFAMILY SECTOR

High Credit Quality &
Diversification from Corporate
Bonds

Sector Allocation*

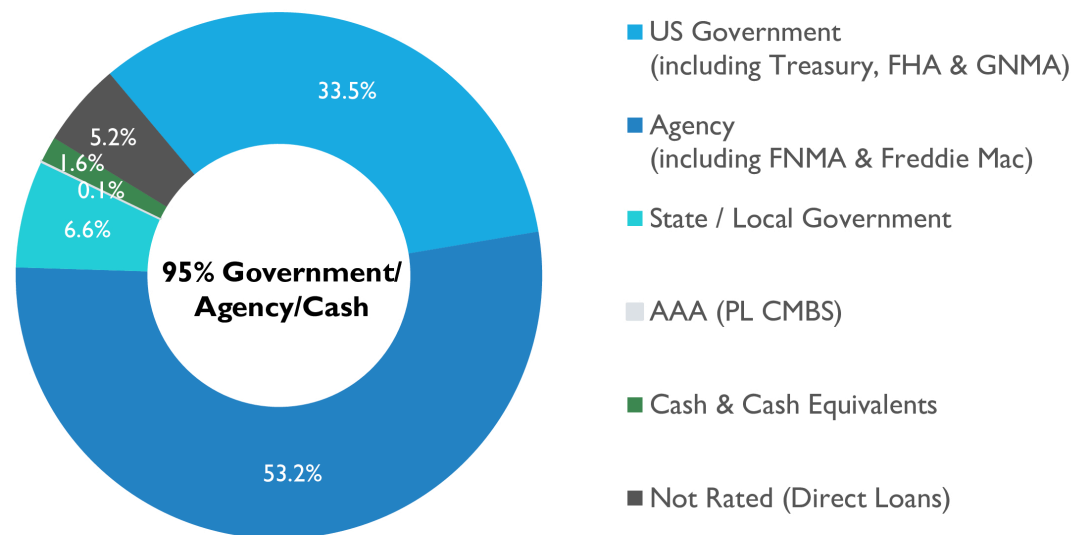
As of June 30, 2024



* Based on total investments and includes unfunded commitments but does not include U.S. treasury futures contracts. Includes 11.6% in floating rate investments.

HIGH CREDIT QUALITY

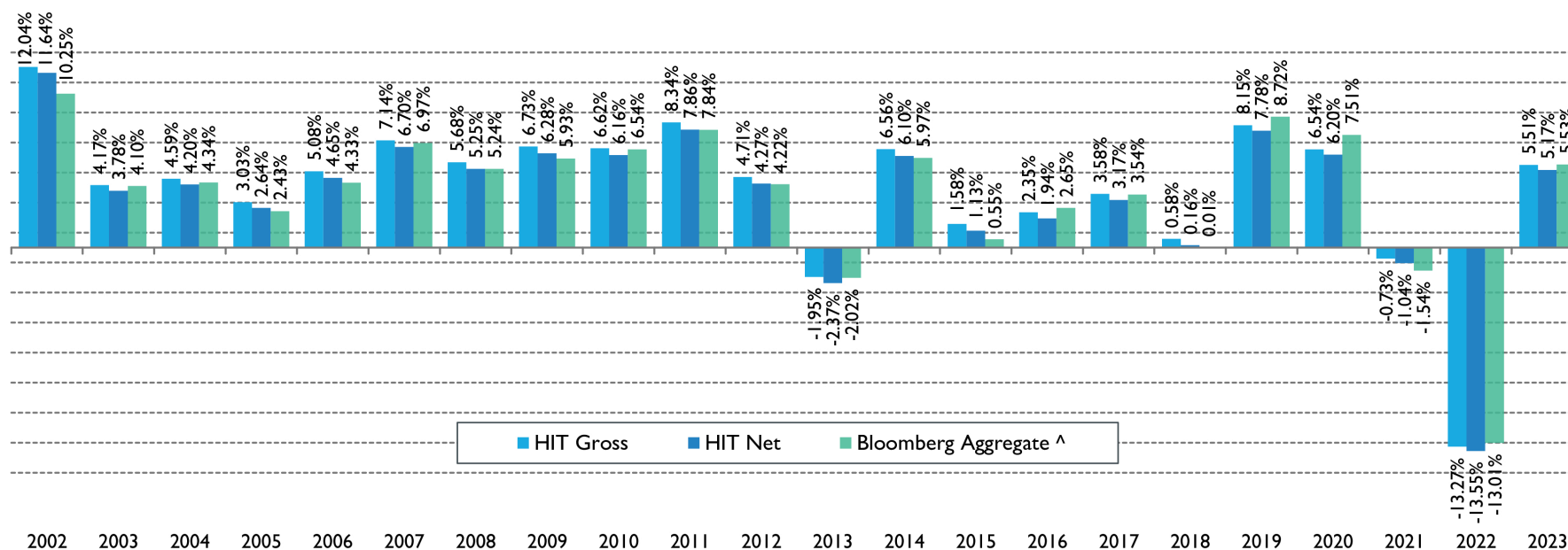
Credit Quality* As of June 30, 2024



* Based on total investments and including unfunded commitments

AVERAGE ANNUAL TOTAL RETURNS VS. BENCHMARK

CALENDAR YEAR RETURNS AS OF YEAR-END



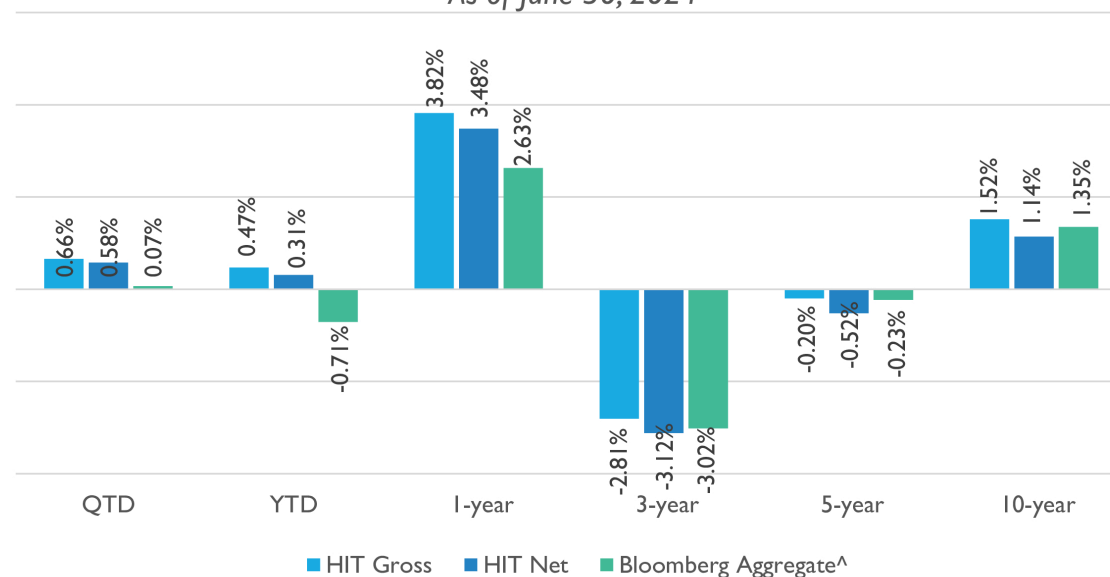
HIT's net performance for the 1-, 3-, 5-, and 10-year periods ended July 31, 2024 was 6.25%, -2.70%, -0.11%, and 1.41%, respectively. The performance data quoted represents past performance and is no guarantee of future results. Investment results and principal value will fluctuate so that units in the HIT, when redeemed, may be worth more or less than the original cost. The HIT's current performance data may be lower or higher than the performance data quoted. Performance data current to the most recent month-end is available from the HIT's website at www.afcio-hit.com. Gross performance figures do not reflect the deduction of HIT expenses. Net performance figures reflect the deduction of HIT expenses and are the performance returns that HIT's investors obtain. Information about HIT expenses can be found on page 1 of the HIT's current prospectus.

^ Source: Bloomberg Index Services Limited

HIT PERFORMANCE RELATIVE TO BENCHMARK

Total Returns vs. Benchmark

As of June 30, 2024



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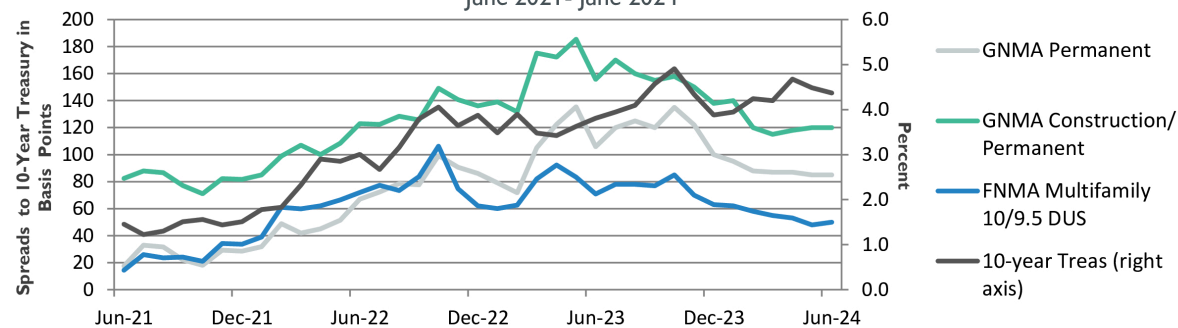
[^] Source: Bloomberg Index Services Limited

MULTIFAMILY FOCUS: GOVT/AGENCY CREDIT WITH ATTRACTIVE SPREADS

- Government-guaranteed, multifamily construction-related loan spreads provide attractive risk-adjusted returns relative to other investment grade sectors. GNMA construction loans offer one of the widest yield spreads to Treasuries among high credit quality fixed income asset classes
- Prepayment protection through yield maintenance/penalty points
- Construction-related GNMA MBS convert to permanent MBS, with the potential for significant price appreciation

Historical Multifamily Spreads

June 2021 - June 2024



Investment Comparison

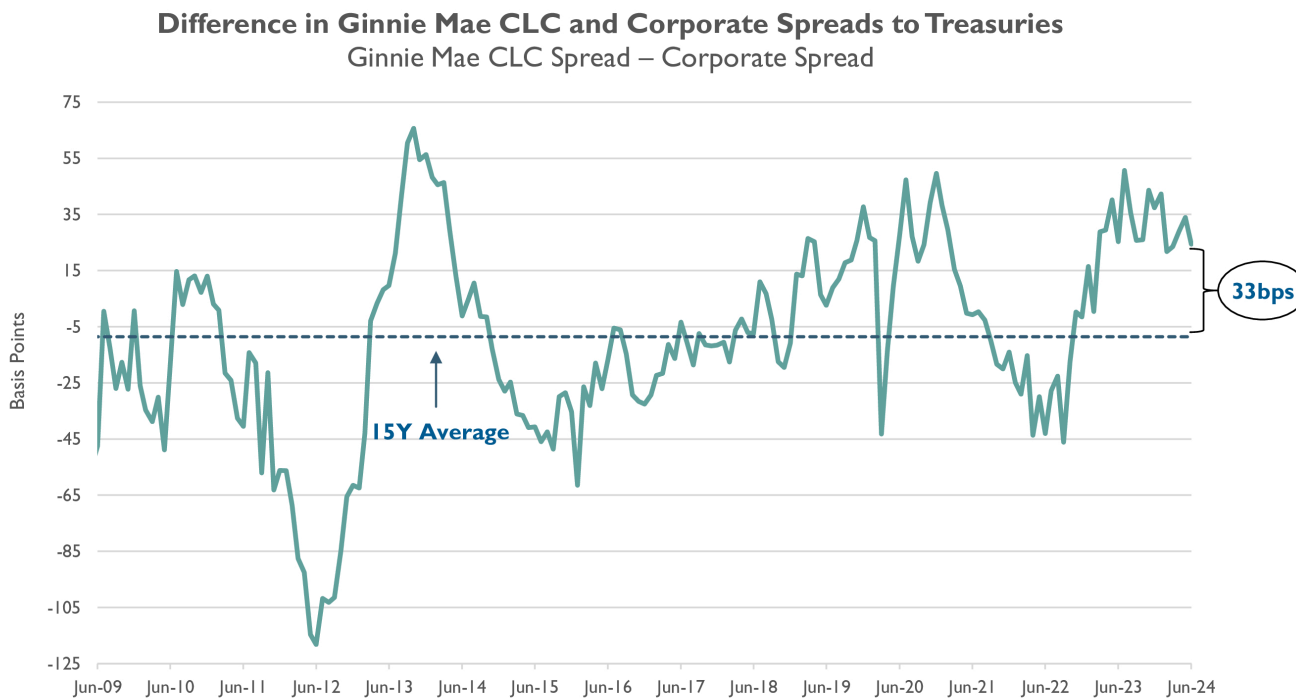
As of June 30, 2024

| Investment Type | Effective Duration (Years) | Effective Convexity | Yield (%) | OAS (bps) |
|-----------------------------------|----------------------------|---------------------|-----------|-----------|
| 10 Year UST | 7.90 | 0.37 | 4.37 | 0 |
| GNMA Construction/Permanent | 8.09 | 0.42 | 5.57 | 120 |
| GNMA Permanent | 7.33 | 0.34 | 5.22 | 89 |
| Structured GNPL (GNR 2024-100 BD) | 5.78 | 0.09 | 5.48 | 86 |
| FNMA Multifamily 10/9.5 DUS | 7.20 | 0.33 | 4.87 | 54 |
| UMBS 6.00% 30yr MBS | 2.54 | -0.74 | 5.91 | 39 |
| GNMA 6.00% 30yr MBS | 2.68 | -0.55 | 5.87 | 43 |

Source: HIT and Securities Dealers

CORPORATE SPREADS HISTORICALLY TIGHT TO MULTIFAMILY

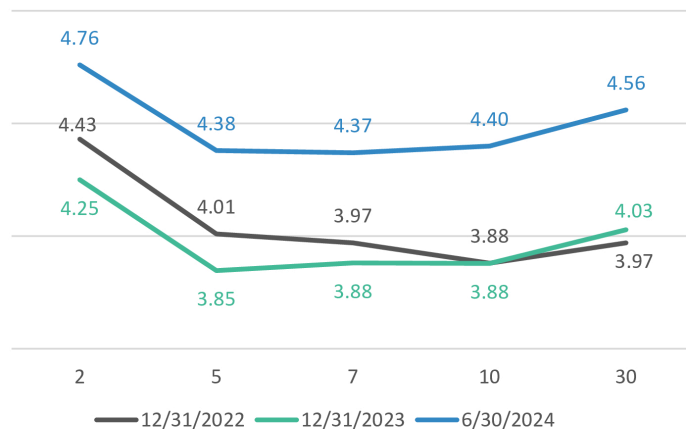
Ginnie Mae CLC spreads are currently 24 bps wide to Corporates vs. 15-year average of 9 bps tight to Corporates



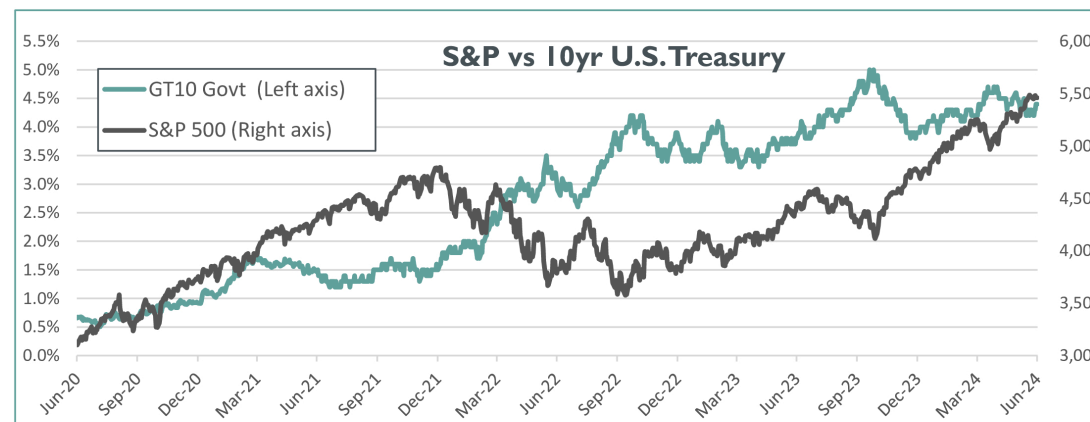
Corporates represent the corporate component of the Bloomberg Aggregate. Rolling monthly data.
Source: HIT and Securities Dealers

INTEREST RATE ENVIRONMENT

Yield Curve



| Economic Indicators | 9/30/2023 | 12/31/2023 | 3/31/2024 | 6/30/2024 |
|---|-----------|------------|-----------|-----------|
| GDP (quarterly; seasonally adj. annual rate) | 4.9% | 3.4% | 1.4% | 2.8% |
| Unemployment Rate | 3.8% | 3.7% | 3.8% | 4.1% |
| Core Inflation (Personal Consumption Expenditures Less Food and Energy (Core PCE)) yearly basis | 3.6% | 2.9% | 2.8% | 2.6% |
| Federal Funds Rate Lower Limit | 5.25% | 5.25% | 5.25% | 5.25% |



Source: Bloomberg, L.P.; Bureau of Economic Analysis; Bureau of Labor Statistics; Federal Reserve Board

Project Picture

[Project Name]
[Project City, State]

ECONOMIC ENVIRONMENT AND OUTLOOK

- Economic growth has been tepid in 2024 but is expected to remain positive this year
 - Q2 again brought solid – if slowing – job growth
 - Wage growth is moderating, but it has remained above inflation for the past year, so consumers likely still have buying power
- Inflation in the U.S. continues to recede gradually
 - The Fed is expected to cut rates later this year; Chair Powell recently testified it is still looking for clear and definitive signs that inflation is coming down
- Political risks persist
 - Political and policy uncertainty in the U.S. with the approach of presidential elections
 - Russia continues its invasion of Ukraine and a cease-fire in Gaza remains elusive
- Housing affordability crisis
 - Many Americans continue to be priced out of the housing market by high borrowing costs, still limited supply of for-sale housing, and elevated home prices
 - Demand for multifamily rental housing should persist despite high rents

COSTS OF INVESTING IN THE HIT

- As an internally managed mutual fund, the HIT does not charge a fixed fee; the HIT passes along only its costs of operations
- All returns over actual costs are distributed on a pro rata basis to investors based on units held, and all expenses are borne in proportion to the number of units held
- Each year, the HIT Board of Trustees reviews and approves its budget for the upcoming year
- For the year ended December 31, 2023, the expense ratio was 33 bps

Expenses may be higher or lower in any given year. The HIT provides additional information about its expense ratio in its Registration Statement and Annual Report to Participants which may be found at www.aflcio-hit.com and at www.sec.gov.

[FUND NAME]

Performance for Periods Ending [Date]

| | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception [Date] |
|---------------------------------------|---------|-------------|---------|---------|------------------------|
| Net Participant Dollar-Weighted | [x.xx]% | [x.xx]% | [x.xx]% | [x.xx]% | [x.xx]% |
| Market Value of Units Held at [Date]: | | [\$xxxxxxx] | | | |
| Investments Since Inception: | | [\$xxxxxxx] | | | |
| Withdrawals Since Inception: | | [\$xxxxxxx] | | | |
| Income Earned Since Inception: | | [\$xxxxxxx] | | | |

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AFL-CIO Housing Investment Trust

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**[Name, Title
Contact information]**

Investors should consider the HIT's investment objectives, risks and expenses carefully before investing. Investors may view the HIT's current prospectus, which contains more complete information, on its website at www.aflcio-hit.com and may obtain a copy from the HIT by calling the Marketing and Investor Relations Department collect at 202-331-8055. Investors should read the current prospectus carefully before investing.

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