



chfa multifamily lending

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www.chfainfo.com/rental-housing/multifamily-lending



let's build community together

Mission-driven.
Community-focused.
Trusted partner.

With **50** years of experience, CHFA Multifamily Lending is your trusted partner. Together, we can build stronger communities by providing safe, secure, and affordable homes for our fellow Coloradans.

Our comprehensive suite of flexible financing programs allows us to find the right fit for your property and help you reach your goals.

chfa multifamily lending

- Long-term, fully amortizing permanent loans
 - 4 percent, 9 percent, and non-LIHTC projects
- Construction-to-permanent loans – 4 percent LIHTC projects
- Flexible Funding – Housing Opportunity Fund
- Gap Financing
 - Capital Magnet Funds
- Innovative Solutions
 - Small-scale affordable housing
 - Mobile home park financing
 - Colorado Affordable Housing Preservation Fund
 - Middle-income Access Program



senior debt programs



SMART

Sizeable Multifamily
Affordable Risk Share Tool

SMART provides \$3M to \$6M in permanent insured financing, featuring up to 40-year fixed rates and the lowest FHA mortgage insurance premium in the industry. Whether you have a tax credit or non-tax credit project, CHFA delivers quickly with a flexible solution tailored to your needs.



SIMPLE

Small Multifamily
Permanent Loan

SIMPLE provides up to \$3M in uninsured permanent financing for 9% LIHTC projects. With streamlined execution, you can get to loan commitment in as little as 60 days of submitting a complete application.



CAPABLE

Construction & Permanent
Affordable Bond Loan

CAPABLE combines construction and permanent financing to provide over \$6M for 4% LIHTC projects, using a streamlined process only available to housing finance agencies. It offers lower interest rates due to index pricing associated with Private Activity Bonds, and the lowest mortgage insurance premium in the industry.



PAIRABLE

Partnership-to-Perm
Affordable Bond Loan

PAIRABLE provides loans of over \$6M in permanent insured financing for 4% LIHTC projects, featuring lower interest rates due to index pricing associated with Private Activity Bonds. Pair this with your preferred construction financing partner to get the deal done on time.

financing solutions

542(c) Risk Sharing Mortgage Insurance

- FHA mortgage insurance credit enhancement tool available to Housing finance agencies
- Generally utilized for loans > \$3 million
- CHFA and HUD “share” the risk of default 50/50
- 50/50 structure allows for CHFA to underwrite the loans in lieu of HUD
- Streamlined and faster processing with HUD
- Mortgage Insurance Premium (MIP) of 0.125 percent

General Requirements

- 10-year lockout
- Non-recourse construction loans (with Risk Share)
- Non-recourse permanent loans
- Minimum 1.15 debt service coverage ratio
- Loans are sized to the lesser of 90 percent of value or total development cost



proposition 123

Colorado Housing and Finance Authority (CHFA)
Colorado Office of Economic Development and International Trade (OEDIT)



Proposition 123

State Affordable Housing Fund
\$160M FY22-23
\$318.9M* FY23-24
*OSP estimate/Leg Council



Affordable Housing Support Fund
DOLA
Year 1: \$64M
Year 2: \$127.6M

Affordable Housing Financing Fund
OEDIT/CHFA
Year 1: \$96M
Year 2: \$191.3M

40%

60%



Affordable Housing Financing Fund (AHFF)



**Land Banking
Program**
15%-25%

\$25.3M (25%) in Year 1
\$47.8M (25%) in Year 2



**Equity
Program**
40%-70%

\$37.6M (40%) in Year 1
\$76.5M (40%) in Year 2



**Concessionary Debt
Program**
15%-35%

\$32.9M (35%) in Year 1
\$67.0M (35%) in Year 2

Concessionary debt requirements

This program has four (4) components, though there is no requirement of how to allocate funding between the four components.



1. Debt financing for low- and middle- income multifamily rental developments;
2. Gap financing in the form of subordinate debt and predevelopment loans for projects that qualify for LIHTCs;
3. Debt financing for existing affordable housing projects for the purpose of preserving existing affordable multifamily rental units; and,
4. Debt financing for modular and factory-build housing manufacturers

Implementation highlights

DOLA/OEDIT/CHFA Prop 123 implementation coordination

Concessionary Debt final project selections announced in December 2023 and currently in underwriting

7 projects, 722 units, \$14.5 million in LIHTC gap financing

Land Banking and Concessionary Debt modular awards first round awards announced in January 2024

16 projects for land banking--56% rental, 31% homeownership, 13% rental and homeownership

6 Concessionary Debt modular awards that will support creation of 3,600 units annually and provide 695 new jobs

Equity – first application round ended April 18, 2024 with 35 applications for \$300+ million in equity requests

On the horizon:

- Greenhouse Gas Reduction Fund (GGRF)
 - \$14 billion in grant awards in April 2024 for the National Clean Investment Fund
 - Two awardees identified HFAs and others as potential lender partners to originate low-cost loans on their behalf
 - Subordinate, low-interest loans to help finance clean energy projects nationwide, including multifamily buildings that reduce carbon emissions
 - NCSHA working with state HFAs on this initiative
- Capital Magnet Funds
 - CHFA received 5 consecutive CMF awards from 2017 to 2021 but was not awarded in 2023
 - Application submitted in April for 2024 CMF funds; awards expected to be made in fall 2024





thank you!

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