



New and Improved: Non-LIHTC Forwards

We've just revamped our [Non-LIHTC Forwards](#) offering to help create more workforce housing.

This financing helps preserve and create workforce housing through flexible transaction structuring and certainty of execution at lower costs to the borrower. Borrowers get the financing they need for workforce multifamily properties funded by public or mission-driven financial investment.

The updated program parameters reduce the percentage of restricted rents at FHFA-defined mission-driven levels. Previously, all deals, aside from nonprofit sponsors, required that 80% of units be restricted to FHFA-defined mission-driven levels. Now, depending on the level of public subsidy (if any), the percentage of restricted units could be as low as 10%, or without public subsidy as low as 20% of total units. Without public subsidy in place to guide the level of affordability, for-profit sponsors must agree to restrict rents through the Freddie Mac loan agreement for the life of the loan.

Here's what's eligible. Please see the [term sheet](#) for more information.

Nonprofit sponsors:

Properties are eligible if the sponsor is a nonprofit entity with a purpose and mission of owning, developing, operating, preserving, managing or otherwise promoting affordable multifamily housing. The general partner or managing member of the borrower must be a nonprofit. Being the co-general partner for the purposes of qualifying for a real estate tax abatement is not sufficient.

Public-Private partnerships:

Where there is a for-profit sponsor receiving public support subject to rent and income restrictions, in order to be eligible, at least 10% of units must be subject to restrictions consistent with local parameters at FHFA-defined mission-driven levels. The remaining units in the property may be rented at market rate.

Private Market Middle-Income Housing:

In cases where there is a for-profit sponsor and no public support, in order to be eligible, sponsors must agree to restrict through the Freddie Mac loan agreement at least 20% of units to FHFA-defined mission-driven levels for the life of the loan.

Optigo® Analyst Workshop

We're looking forward to seeing lenders next week at our headquarters in McLean, Virginia for the Optigo Analyst Workshop. We've had a great response to this event and all available spots are now filled.