

Affordable Housing Financing Fund

Contact
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ColoradoAffordableHousingFinancingFund.com

Proposition 123: Equity Program

The Equity program provides below-market-rate equity investments to eligible for-profit and nonprofit entities for the construction or preservation of low- and middle-income multifamily rental developments.



Guidelines 01-26-2026

Eligible Projects	- Low-income multifamily affordable rental developments - Middle-income multifamily affordable rental developments - Preservation of existing developments at risk of losing affordability - This equity cannot be paired with federal or state Housing Tax Credit equity
Program Benefits	- Flexible source of capital with below-market return expectations - Structured with equity returns based on available cash flow - Full equity principal repayment deferred until future capital event or project sale
Program Allocation	Program funding 40% to 70% of total Affordable Housing Financing Fund (AHFF) annual allocation
Eligible Project Sponsors	For-profits, nonprofits, and governmental entities including housing authorities and tribal governments
Maximum Investment	The maximum Program Investment amount is \$15,000,000. Investment size will be based on a comprehensive evaluation of the project's financials, supporting documentation, and available program funding.
Minimum Investment	\$1,500,000
Eligible Uses	Eligible project costs include acquisition, construction hard costs, professional fees, financing costs, soft costs, and reserves. Projects using modular construction with an advance factory deposit requirement may be able to use Equity funds for this purpose.
Investment Returns	Below-market returns based on available annual cash flow, with any remaining capital paid in full at a capital event. The Program Investment term is up to 30 years.
AMIs Served	Not to exceed 90% average AMI for all restricted units
Collateral	The Program Investment will be secured by a lien on the project assets
Fees	Investment servicing fee of 1% of available annual cashflow; standard third-party closing costs, such as title, survey, and recording costs
Affordability Requirements	A Regulatory Agreement ensuring affordability for 30 years will be required. The agreement will designate the property as a "qualified property" according to C.R.S. 29-4-1202 and establish a right of first refusal with the local government prior to the expiration of the agreement.
Priorities	Statutory Priorities: High-density housing, mixed-income housing, environmental sustainability Strategic Policy Priorities: Shovel-ready projects that result in new units; use of modular/offsite building technology produced in Colorado; inclusion of home-based childcare or commercial child care facilities; and geographic diversity

This is intended only to highlight certain program requirements. Investments are subject to other requirements including the CHFA Credit Policy and applicable operating and replacement reserve requirements. Please note that programs are subject to change.



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Environmental Sustainability Standards

Each of the following is required to meet the Environmental Sustainability standard.

1. Environmental Sustainability - Project meets the environmental criteria below: ^{*}
 - a. Certification from one of the following:
 - i. Enterprise Green Communities Certification Plus
 - ii. Enterprise Green Communities
 - iii. Zero Energy Ready Homes
 - iv. Energy Star NextGen Certification
 - v. National Green Building Standards
 - b. Projects located in jurisdictions that have not adopted the 2021 or higher International Energy Conservation Code may opt out of the certification if they commit to using the 2021 or higher IECC and State Model Energy and Solar Ready codes when they develop the units.

Note: Per C.R.S. §6-7.7-101, on or after January 1, 2025, all state-funded projects with new units are required to use Energy Star appliances.
 - c. Projects within Transit-oriented Communities (TOC) as defined by C.R.S. §29-35-210 must be within the Transit Area or Optional Transit Area as designated on the TOC Map found at dlg.colorado.gov/transit-oriented-communities. Projects not located in a TOC but located within one half mile of a regularly scheduled transit stop or a community center where jobs and services are located may also be prioritized.
 - d. All projects must have water efficient design inside and outside. Full guidance can be found at coloradowaterwise.org.
 - e. All projects must monetize eligible federal or state energy efficiency tax credits and rebates to the extent such credits are available when the project commences. Visit chfainfo.com/rental-housing/colorado-multifamily-electrification-hub to determine which funding source fits your project.
 - f. Projects must report utility costs and performance to the Energy Star Portfolio Manager system at portfoliomanager.energystar.gov.

Please see full application requirements and complete program guidelines at coloradoaffordablehousingfinancingfund.com/equity.

How to Apply

Starting Friday, January 30, 2026, applications will be available and accepted for the Proposition 123 Equity program. The application period will close on Thursday, February 26, 2026, at 5:00pm MT.

Applications and complete program guidelines may be downloaded at coloradoaffordablehousingfinancingfund.com/equity, and questions about the Equity program may be submitted to equity@chfainfo.com.

Friday, January 30, 2026	CHFA will begin accepting applications.
Thursday, February 26, 2026	Application submission period will end at 5:00pm MT.
April 2026	CHFA will announce project sponsors selected for full underwriting.

Contacts

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