Affordable Housing
Financing Fund

Proposition 123 Equity Program

FY26-27 Strategic Investment Round

COLORADO
Office of Economic Development
& International Trade

chfa

Welcome and Introductions

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OEDIT

Jovan Harrison
IHIP Program Manager, OEDIT

Steve Boice
Manager, Business Finance, CHFA

Lynn Archuleta
Manager, Multifamily Lending, CHFA

David Foust
Commercial Loan Officer, CHFA



Proposition 123

State Affordable Housing Fund

Affordable Housing Support Fund DOLA	Affordable Housing Financing Fund OEDIT/CHFA
40%	60%



Affordable Housing Financing Fund (AHFF)



Land Banking Program

FY26-27: $32M



Equity Program

FY26-27: $63M



Concessionary Debt Program

FY26-27: $64M

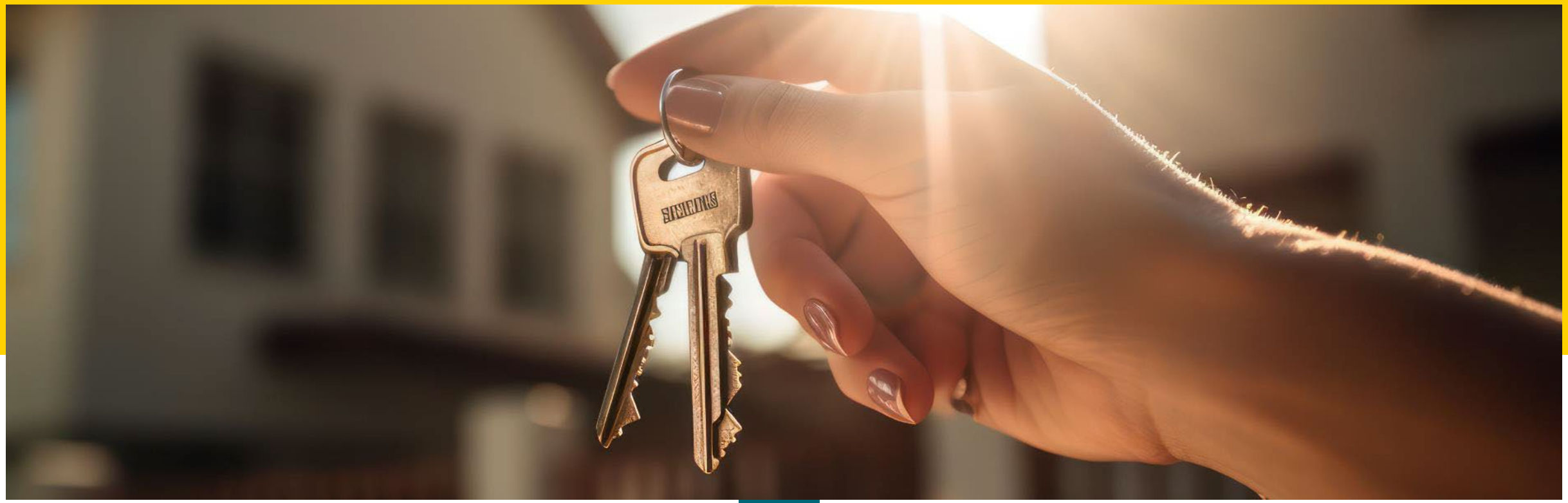
FY 26-27 Equity Program Rounds

- **Round One - $20M**
  - Applications Open: November 2026
  - Round One will be a Strategic Investment Round, details of which will be discussed today.
- **Round Two - $43M**
  - Applications Open: April/May 2027

Please see the **Fiscal Year 2027 Funding Plan** at coloradoaffordablehousingfinancingfund.com for more details.



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Equity

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Equity Program

The 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.



Eligible Projects	• Low-income multifamily affordable rental developments • Middle-income multifamily affordable rental developments • Preservation of existing developments at risk of losing affordability • This financing cannot be paired with federal or state Housing Tax Credit equity
Program Benefits	• Flexible source of equity with below-market return expectations • Structured with equity returns based on available cash flow
Maximum Investment Size	The maximum 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 Size	$1,500,000

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Equity Program

The 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.



Eligible Uses	Eligible project costs include acquisition, construction hard costs, professional fees, financing costs, soft costs, and reserves. Projects utilizing modular or other innovative off-site methods may also utilize Equity funds in such a way as to leverage other private sources of funds, after consultation with the program administrator.
Investment Returns	Below-market returns based on available annual cash flow, with any remaining capital paid in full or in part 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 investment will be secured by the project assets
Fees	Standard placement costs
Affordability Requirements	A Regulatory Agreement requiring affordability for 30 years will be required, which must include a two-year local government notice

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Equity Program Strategic Investment Round Priorities

The program prioritizes projects for selection based on criteria set forth in statute, as well as criteria set forth in response to market conditions.



Statutory Priorities	• High-density housing
	• Mixed-income housing
	• Environmental sustainability
	  • Green certification
	  • Within TOC boundary or a half mile of transit
	  • Water-wise

Policy Priorities	• Use of innovative, offsite building technology produced in Colorado (such as volumetric modular, 3D printing, panelization, shipping container, etc.) that can flexibly meet the production timing needs of the manufacturer • Shovel-ready projects that result in new units • Inclusion of home-based childcare or commercial childcare facilities • Geographic diversity

Equity Program:
Reporting and Tenant Equity Vehicle (TEV)

Projects will be subject to ongoing compliance including audits of new resident income verification, annual financial reports, and periodic physical inspections.



Colorado Renter Rewards

P123 Equity projects will be required to participate in Colorado Renter Rewards, which will be administered at the program-portfolio level. Residents of Equity-financed properties will receive:

- 2% cash back for on-time rent payments;
- a match of any 2% cash back saved after 12 months; and
- a once-annual equity profit-sharing distribution (a resident must live at the property for at least 12 months to qualify for profit-sharing).

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Demand Aggregation

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Demand Aggregation

Use of innovative, offsite building technology produced in Colorado (such as volumetric modular, 3D printing, panelization, shipping container, etc.) that can flexibly meet the production timing needs of the manufacturer.



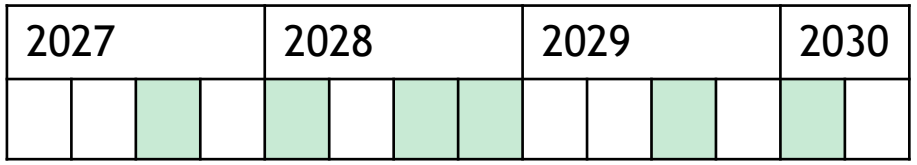
Applicants should be able to demonstrate how their proposed project will meet the timing needs of the manufacturer. This may look like:

- Larger projects done in smaller phases, in which each phase of the project is delivered according to a time window set by the manufacturer
- Smaller projects that can fill production windows between other, larger projects according to a time window set by the manufacturer

Sample Demand Aggregation Project Types

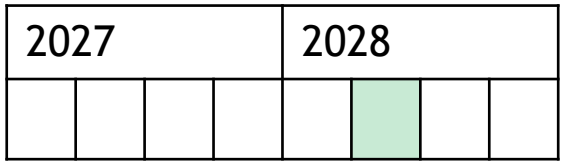
240 units, 6 buildings

Each building could be produced and delivered according to the manufacturer's timeline needs over a period of 30-42 months.



30 units, 1 or more buildings

Similarly, the project is produced according to the manufacturer's timeline needs, but instead with a flexibly delivery time within 18-24 months.



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Prop 123 Financing Flexibility

240 units, 6 buildings

Each building could be produced utilizing a line of credit or cash collateral deposit secured by the Prop 123 award, which is revolved by a construction loan draw after each building is delivered onsite.

30 units, 1 or more buildings

Similarly, the project could begin production utilizing a modular advance from Prop 123, with the remainder being paid upon site delivery from a construction loan draw.

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Questions and Discussion



Thank you!

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