

Informational Session

December 5, 2017

MATCH

Metro Affordable Transit
Connected Housing

Program Agenda

1. Welcome
2. Overview and Goals of MATCH
3. Program Guidelines and Loan Products
4. Originating CDFIs
5. Audience Q & A

Why Create the MATCH Program?

- Increasing opportunity for Equitable Transit Oriented Development
- Housing Affordability Crisis
- Need for more capital tools particularly for Non-Profit Affordable Housing Developers

Capital Working Group Feedback

Market Conditions

- Existing apartments of all sizes
- Commercial and vacant properties
- Fierce competition in marketplace
- Scarcity of Developer equity
- Uncertainty in Development Timeline

Developer Capital Needs

- Nimble loan closing time
- Patient Capital (5 year+ loan terms)
- Flexible underwriting
- Cover Pre-development, acquisition and holding costs
- Minimize borrower equity required

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Couldn't Design a Loan Program to Meet ALL THESE CONDITIONS

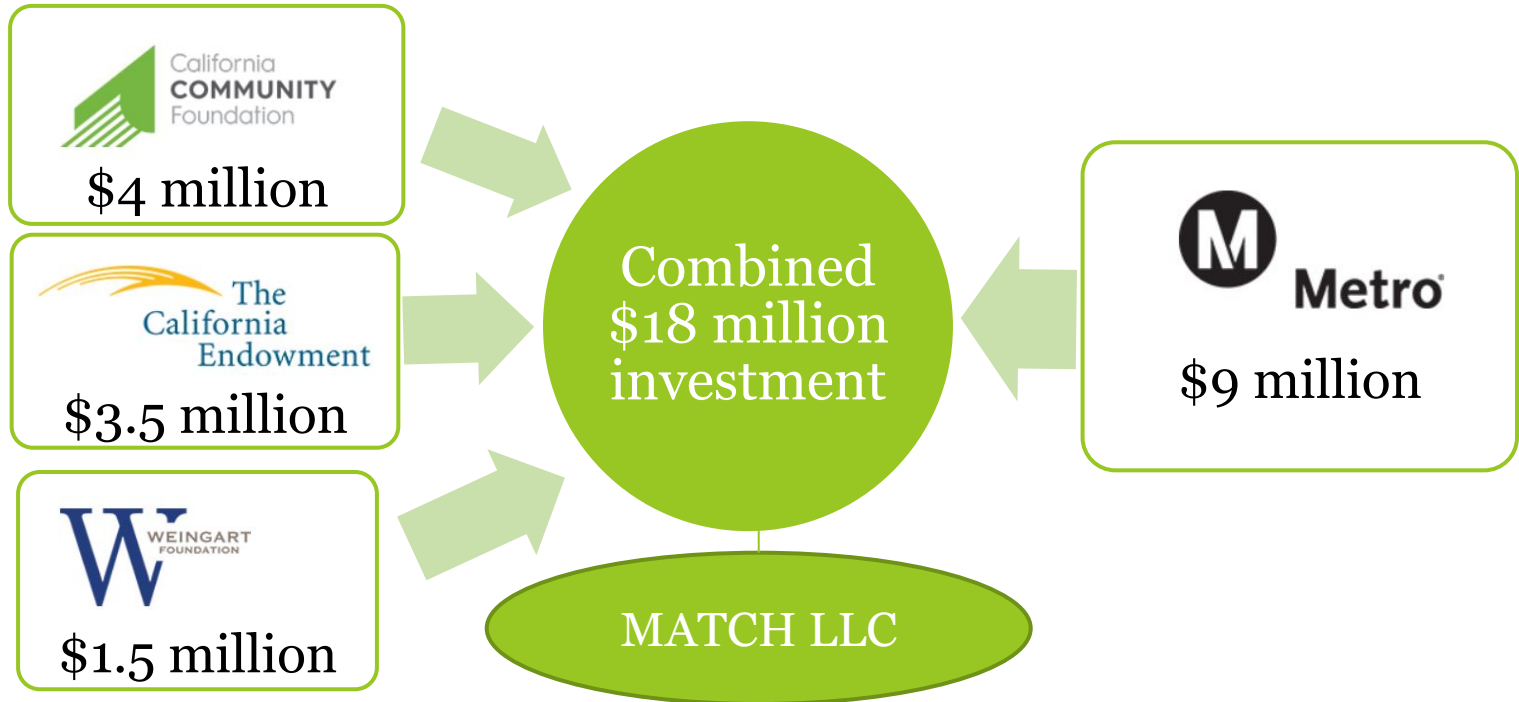
Housing + Transportation (H+T) Loan

Buy, hold, and redevelop existing apartments

Predevelopment Loan

Affordable TOD in general

Capital Partners



Estimated CDFI Leveraged Loan Capitalization
\$75 million

Program Guidelines and Loan Products

MATCH

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Eri Kameyama

Senior Loan Officer

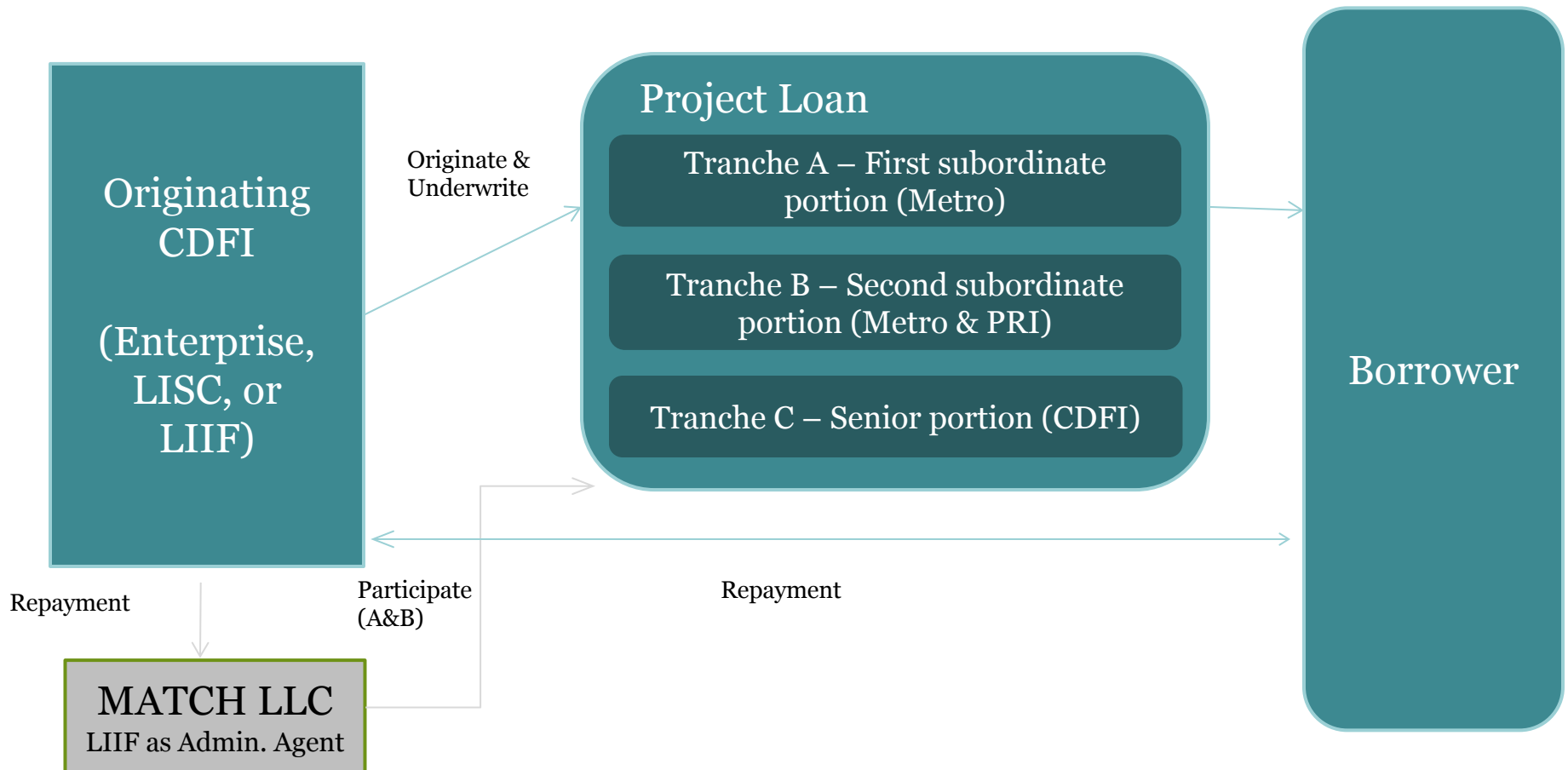
Low Income Investment Fund

Originating CDFIs



**Program Admin. Agent*

MATCH Loan Structure



Program Term

- Origination Period – 3 years
- H+T Loan Maximum Term – 10 years
- Revolving Program

Products

Housing + Transportation (H+T) Loan Product

- Acquisition financing for existing multi-family properties near transit
- Help borrowers preserve and stabilize properties in short term
- Patient funding with terms up to 5-10 years, allowing borrowers to redevelop the site with aff. Housing at higher density

Predevelopment Loan Product

- Predevelopment loan for new affordable housing near transit

Borrower Eligibility

- Non-profit developers
- For-profit developers in joint venture with non-profit developers
- Borrowers must meet minimum requirement for developer experience

Site Eligibility

- Located in **Los Angeles County**
- Located within a **half mile** of a fixed guideway station or intersection of two buses with 15 minutes maximum frequency peak period headways, including lines in construction and future lines with environmental clearance
- Prioritization for projects that demonstrate an existing or planned **safe path of travel** (ability to safely walk or bike on existing or planned sidewalks, bicycle lanes and crosswalks at major intersections) between transit and the proposed project.

Project/Property

H+T Loan Product

Existing, occupied multifamily housing, with likely capacity to be redeveloped to at least double the number of units or square footage. Must have an existing minimum unit size of 20 units.

Predevelopment Loan Product

A new affordable housing project through new construction or substantial rehabilitation. Must have a minimum unit size of 49 units.

Eligible Costs

H+T Loan Product

Purchase price, closing costs, financing fees, carrying costs (including costs for immediate repairs), reserves

Predevelopment Loan Product

Predevelopment costs, such as architecture, engineering, environmental studies, entitlements and permits, etc

Affordability Requirements

Permanent Deed Restriction

100% of units at 60% or below AMI

H+T Loan Short Term Restriction:

- a) At least 75% of the units are designated for 80% Area Median Income and
 - b) either 20% of units designated for 50% Area Median income OR 40% of the units designated for 60% Area Median Income
- Units can be left vacant if not rented to an eligible low-income household.
 - Borrower must include an assessment of relocation requirements arising from use of any federal sources intended to be used during the term of the loan.

Other Frequently Asked Questions

Preservation projects

Equity Recapture Provision

Combining H+T and Predevelopment Loan

[See FAQ for more details](#)

Originating CDFIs



Enterprise[®]

Justin Chen

(415) 400-0976, jchen@enterprisecommunity.org

LISC

Los Angeles

Alexandra Dawson

(213) 240-3118, adawson@lisc.org



capital for
healthy families
& communities

Eri Kameyama

(213) 627-9769, ekameyama@liifund.org

Questions and Answers

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