

# ALTERNATIVE AFFORDABLE INVESTMENT MODELS



# LACAHSA

November 14, 2024

## Alternative Investment Model KEY POINTS FOR BOARDS CONSIDERATION



**LACAHSa is able unleash large scale production by creating investments that avoid the bond cap allocation**



**Providing a conduit for significant rehabilitation of aging affordable housing**



**The organization in partnership with philanthropy & private sector can create catalytic investment partnerships to leverage agency financing on 4-1 basis**

# POTENTIAL LACAHS A INVESTMENT MODELS

**Impact  
Funds**

**Preservation  
Preferred  
Equity**

**Social  
Mortgage  
Bonds**

**Guarantee  
Programs**

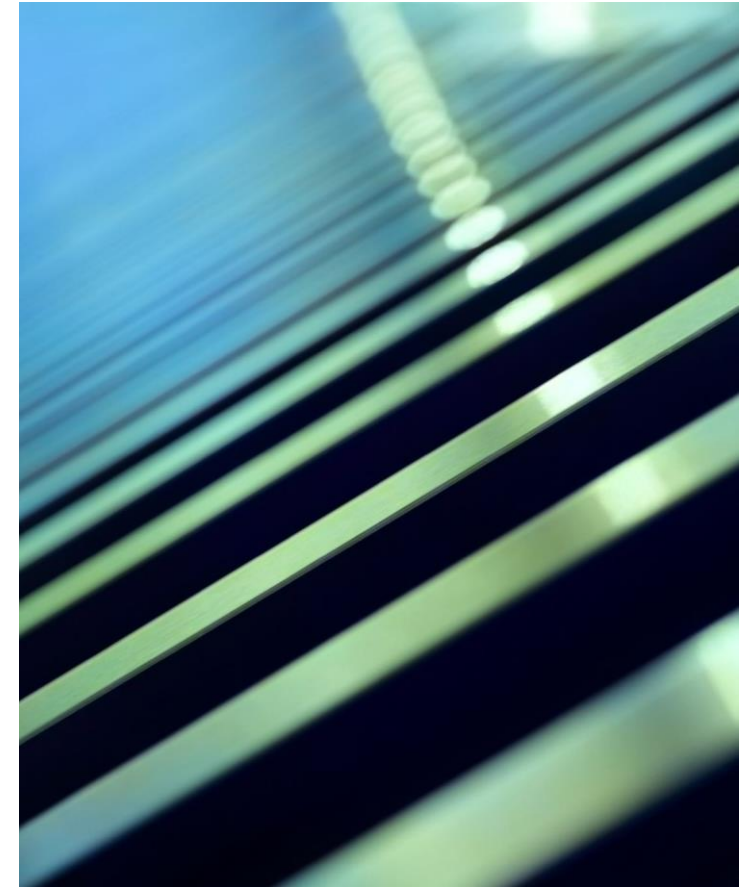
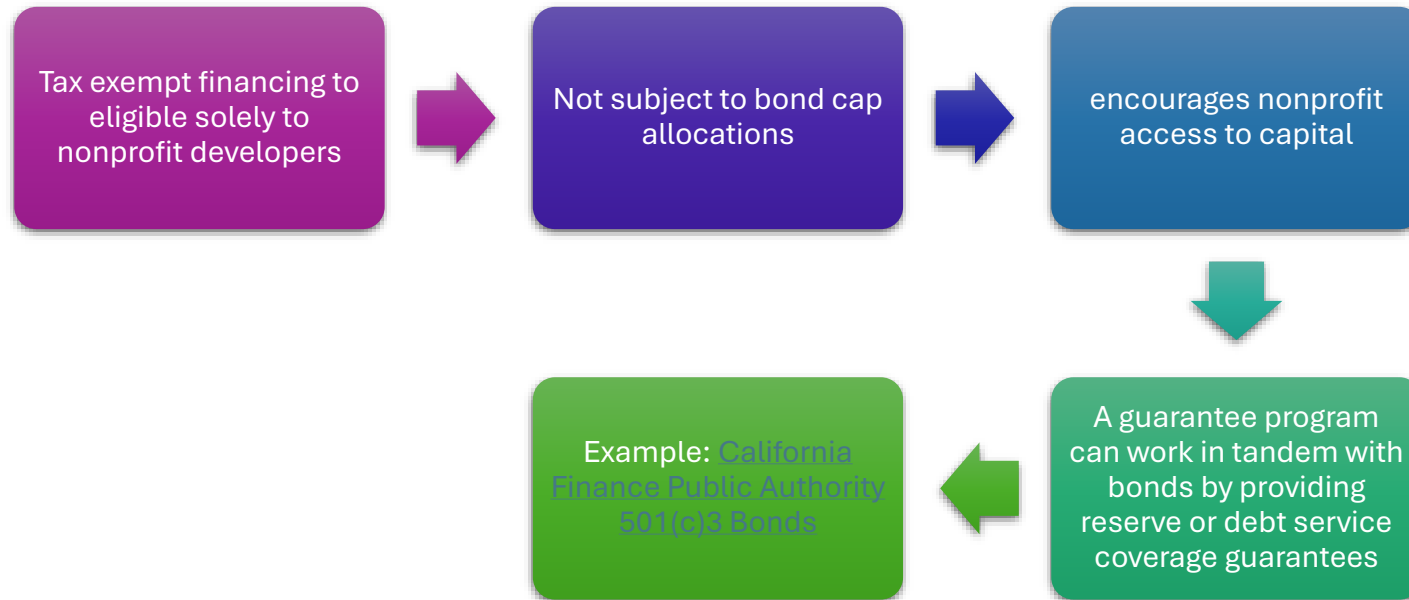
**501C3 Bonds**

# Guarantee Programs

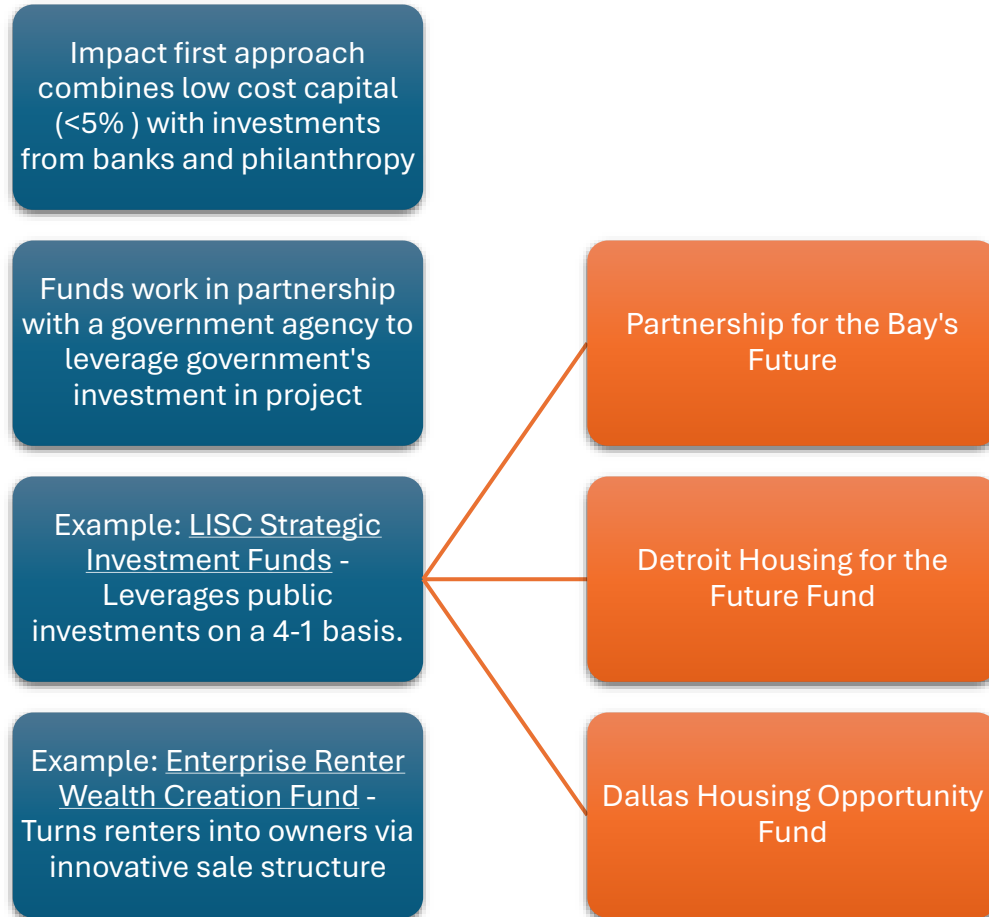
- Government or Philanthropy can create pools of money designed to unleash private capital (equity or debt) by providing gap coverage, bridge the delivery of other government sources of investments or catalytic investment in underinvested communities
- The model is suited for both social housing & tax credit projects
- Source of investment for non-profits and those entrepreneurs traditionally disenfranchised from investment
- Examples:
  - [Community Investment Guarantee Pool](#): 12 investors pooled \$38 Million unleashing \$190 million into community assets
  - [Kresge Philanthropic Guarantees](#)



# 501c3 Bonds



# Impact Funds / Public Private Partnerships



# Joint Freddie Mac & Fannie Mae Preservation Product

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## Product

**LACAHSA & the Government Sponsored Enterprises create single source product with quick execution to replace expensive private money**



## Benefits

**A streamlined and collaborated process with a federal agency will encourage developers to purchase and improve aging affordable housing within the county**



## Creates pathways to provide

**Flexible underwriting tailored to specific needs of an affordable project**  
**Competitive pricing with flexible loan terms and rates**  
**Speed of execution and certainty for borrowers**



## Approval Process

**LACAHSA BOARD**  
**Fannie & Freddie Chief Credit Officer**  
**Create Legal Documents**  
**July/August 2025 Launch**

# LACAHSA Social Mortgage Bonds

- The product replicates the 4% bond program without tax credits
- Avoids the bond cap allocation
- Provides up to 85% LTC
- LACAHSA is the sole lender or risk shares with senior lender
- One stop lending product
- Example: [Evoke Living at Westlake](#)



# Appendix of Practitioners

## Guarantee Programs

- Jonathon Towers, CEO, Arctaris Investments  
[jonathan@arctaris.com](mailto:jonathan@arctaris.com)
- Aaron Sebert, Managing Director, Kresge Foundation  
[aseybert@kresge.org](mailto:aseybert@kresge.org)
- Jim Beak, Executive Director, Community Guarantee Pool  
[jim@locusimpactinvesting.org](mailto:jim@locusimpactinvesting.org)

## 501C-3 Program

- Kristen Miranda, VP Capital Markets, Bridge Housing  
[kmiranda@bridgehousing.com](mailto:kmiranda@bridgehousing.com)
- Bryan Brown, CEO, Greenville Housing Fund  
[bbrown@greenvillehousingfund.com](mailto:bbrown@greenvillehousingfund.com)
- Dani Evanson, Partner, Align Financial  
[devanson@alignfinance.com](mailto:devanson@alignfinance.com)

## Preservation Program

- Sarah Garland, Senior Managing Director, CBRE  
[Sarah.Garland@cbre.com](mailto:Sarah.Garland@cbre.com)
- Michelle Evans, EVP Multifamily, Fannie Mae  
[michele\\_evans@fanniemae.com](mailto:michele_evans@fanniemae.com)
- Kevin Palmer, EVP Capital Markets, Freddie Mac  
[kevin\\_palmer@freddiemac.com](mailto:kevin_palmer@freddiemac.com)

# Appendix of Elected Officials

## Elected Officials

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- Vi Liles, Mayor of Charlotte, NC  
mayor@charlottenc.gov
- Knox White, Mayor of Greenville, SC  
[kwhite@greenvillesc.gov](mailto:kwhite@greenvillesc.gov)
- Joe Schember, Mayor of Erie, PA  
RLamis@erie.pa.us