

## About the Partnership for the Bay's Future

The Partnership for the Bay's Future aims to advance the region's future by solving its interconnected challenges of housing, transportation, and economic opportunity. It is being launched with the support of the San Francisco Foundation, the Chan Zuckerberg Initiative, the Ford Foundation, and Local Initiatives Support Corporation (LISC), Facebook, Genentech, Kaiser Permanente, the William and Flora Hewlett Foundation, the David and Lucile Packard Foundation, and the Silicon Valley Community Foundation.

The Partnership—created in response to the needs expressed by community- and faith-based leaders, housing experts, elected officials, and residents—aims to expand and protect the homes of up to 175,000 households over the next five years, and preserve and produce more than 8,000 homes in the next five to 10 years.

This effort will initially have three components to tackle the problem holistically in a way that's never been done before: a Regional Partnership to foster collaboration between the private sector, public sector, and impacted communities; an Investment Fund focused on increasing the housing supply; and a Policy Fund that supports policies to stem the tide of displacement and preserve and produce housing.

With an initial focus on housing, the Partnership will eventually expand to include work on the interconnected challenges of transportation and economic opportunity, all critical elements to the Bay Area's long-term economic prosperity.

## Overview: The Investment Fund

The Investment Fund, one of the nation's largest-ever housing funds, and it is designed to address the many, varied funding gaps that exist in the housing market throughout the region. The lack of affordable homes for families in these areas demands a solution that is uniquely flexible. And it requires coordinated, collective action.

With an initial commitment of more than \$260 million in flexible, low-cost, high-risk capital, the Investment Fund will leverage other financial partners, with the goal of reaching \$500 million within five years. The investments made possible by this fund will directly lead to the preservation and production of more than 8,000 units, as well as indirectly contributing to the preservation and production of numerous others.

The Investment Fund is unique due to its funding commitment and its flexible, nimble, and creative approach to providing housing resources:

- **Flexible:** The flexibility of this capital will allow the Partnership to provide new financing products not currently available and to operate outside of current system constraints.
- **Nimble:** The Investment Fund is designed to address a wide range of current housing needs in the market and to evolve as the market changes. The Investment Fund will invest in everything from preserving affordable housing options where they currently exist, to building more options for people who are struggling to keep up with high housing costs. It will also help middle-income workers with housing costs, while also speeding up the process of getting people experiencing homelessness into homes.
- **Creative:** The Fund will also demonstrate the viability of creative, community-based solutions that can be replicated and scaled within the Bay Area and beyond.

Investing significant resources in housing affordability and stability today will protect our most vulnerable residents now and into the future and support the long-term economic success and racial diversity of our region.

# Products Summary

Product type	Faith Based and Community Non-Profit	Supportive Housing	Affordability Stabilization	Mixed income Residential	Enterprise-Level Line of Credit	Preservation Loans for IIRTC and HUD Funded Properties
Eligible Borrower	Faith-based organizations, community non-profit organizations, and Land trusts with qualified development consultant or partnership with experienced developer	Experienced supportive housing developers or affordable housing developers with experienced service provider partners; experienced service provider with experienced housing development partner or development consultant	Experienced non-profit and for-profit affordable housing developers; land trusts; small neighborhood organizations with qualified consultants or more experienced housing developers	Experienced affordable and market rate housing developers with strong in-house management capabilities or strong outside management companies	Experienced and mission-aligned affordable housing developers with strong in-house property mgmt. capabilities or strong relationship with experienced management company	Experienced and mission-aligned affordable housing developers with strong in-house property mgmt. capabilities or relationship with experienced third party management company
Project Income Target	0-150% AMI	0-30% AMI	0-120% AMI	30-150% AMI	80% AMI	30-80% AMI
Loan type	Predevelopment Construction Mini-perm	Predevelopment and acquisition	Acquisition (with rehab possible)	Mezzanine debt for acquisition/ construction projects	Line of credit for real estate predevelopment & acquisition and working capital	Acquisition
Loan amount	Up to \$3 million	Up to \$5 million	Up to \$6 million	Up to \$7.5 million	Up to \$6 million	Up to \$50 million
Origination fee	Determined by each lender	Determined by each lender	Determined by each lender	Determined by each lender	Determined by each lender	Greater of 1.0% or \$100k
Interest Rate	Competitive	Competitive	Competitive	Competitive	Competitive	Competitive, fixed rate for term of the loan
Loan term and payments	24 months for predev and construction loans (interest-only payments), 5-10 years for mini-perm with up to 30-year amortization period	Up to 5 years Up to 24 to 36 months Interest-only payments	Up to 10 years Up to 24 to 36 months Interest-only payments followed by up to 30-year amortization period	5-15 years P&I payments	Up to 5 years Individual project loans: 24 months maturity and interest-only payments	Up to 7 years Monthly payments equal to interest accruing on 80% LTV portion of loan and quarterly payments equal to 90% of operating cash flow
Collateral	First position on real estate for perm loans First or second position on real estate for other loans. Loans up to \$350,000 may be unsecured	First or second position on real estate	First or second position on real estate	Subordinated position on real estate	For real estate use, first position is required, with take-out identified.	First or second position on real estate
Loan to Value	Up to 100%	Up to 150%	100% for acquisition only based on as is value (110% for sub loan); 85% of as-built value for acquisition/rehab based on as if complete value	100%	100%	Up to 99%
Available Lenders :	<p><b>LISC:</b> bay@future@lisc.org <b>CIP:</b> f@macauley@capitalin@pact.org <b>CSH:</b> andrea.morgan@cs@h.org</p>	<p><b>LISC:</b> bay@future@lisc.org <b>CIP:</b> f@macauley@capitalin@pact.org <b>CSH:</b> andrea.morgan@cs@h.org</p>	<p><b>LISC:</b> bay@future@lisc.org <b>CIP:</b> f@macauley@capitalin@pact.org</p>	<p><b>LISC:</b> bay@future@lisc.org <b>CIP:</b> f@macauley@capitalin@pact.org</p>	<p><b>LISC:</b> bay@future@lisc.org <b>CIP:</b> f@macauley@capitalin@pact.org <b>CSH:</b> andrea.morgan@cs@h.org</p>	<p><b>LISC:</b> bay@future@lisc.org and s@zeigler@ne@finc.org</p>