



PRESS RELEASE

District of Columbia Housing Finance Agency
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DCHFA Closes First HUD Level I 50/50 Risk Share Transaction by Financing the Preservation of 176 Affordable Units in Ward 8

Washington, D.C. – The [District of Columbia Housing Finance Agency](#) (DCHFA) closed on its first U.S. Department of Housing and Urban Development (HUD) Level I 50/50 Risk Share 542 (c) loan to finance the preservation of 176 affordable units at Woodmont Crossing Apartments (2327 Good Hope Road Southeast). DCHFA issued \$25,543,000 in HUD insured tax exempt bonds through a public offering to raise debt capital for the acquisition and renovation of the 12 building apartment complex. “The Agency pursued becoming a Risk Share lender to provide an additional funding source for the production and preservation of affordable housing in the District of Columbia,” stated Todd A. Lee, Executive Director/CEO, DCHFA. Currently 35 housing finance agencies are in the Risk Share program. DCHFA is the only housing agency in the District of Columbia that participates in the program.

HUD approved DCHFA as a 50/50 Risk Share lender in April 2017. The program is independent of the Federal Housing Administration’s (FHA) traditional mortgage insurance that provides credit enhancement on HFA originated loans. The FHA assumes only a portion of the risk and delegates loan processing and asset management functions to the HFA or QPE (qualified participating entities). The Risk Sharing Program is focused solely on affordable production and preservation. All projects must qualify as defined in the low income housing tax credit (LIHTC) program. In addition to the risk share loan, the renovation of Woodmont Apartments will be funded through \$12,124,286 in equity generated by LIHTCs. By participating in the program DCHFA receives higher bond ratings resulting in lower borrowing costs and savings passed on to borrowers and tenants.

The Woodmont Crossing United Tenants Association, Inc. exercised its rights as a part of the DC Tenant Opportunity to Purchase Act (TOPA) and selected The NHP Foundation to lead the \$44,665,458 acquisition and renovation of all of the community’s 120 two bedroom and 56 three bedroom apartments. Woodmont Apartments is a 100 percent affordable community with rents restricted to households earning 60 percent of or below area median income. NHP will conduct an in-place renovation where residents will temporarily relocate during the day while their units are being repaired. This will be the first major renovation at Woodmont Apartments since its opening in 2002.

Through its Multifamily Lending and Neighborhood Investment and Capital Markets divisions, DCHFA issues tax-exempt mortgage revenue bonds to lower the developers’ costs of acquiring, constructing and rehabilitating rental housing. The Agency offers private for-profit and non-profit developers low cost predevelopment, construction and permanent financing that supports the new construction, acquisition, and rehabilitation of affordable rental housing in the District.

The District of Columbia Housing Finance Agency was established in 1979 to stimulate and expand homeownership and rental housing opportunities in Washington, D.C. We accomplish our mission by offering below market rate mortgage loans to lower the homebuyers’ costs of purchasing homes and by issuing mortgage revenue bonds to lower the developers’ costs of acquiring, constructing and rehabilitating rental housing.

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