

McGUIREWOODS

Affordable Housing



AFFORDABLE HOUSING

McGuireWoods' multidisciplinary Affordable Housing team counsels clients ranging from closely held, community-based businesses to Fortune 100 companies. Our lawyers, alongside our McGuireWoods Consulting team, have the knowledge, experience, and policy insights to help our clients navigate the challenging and broad areas of housing policy that our clients face across this sector.

COMMUNITY FOCUSED WITH A GLOBAL REACH

The economic complexities of the real estate and financial markets today present an additional layer of challenges for our clients. It is imperative that our clients have the full understanding of the knowledge and experience our lawyers and consultants provide for creative business solutions as well as understanding the complex regulations that are associated with affordable housing investments. Affordable housing and community development raise intricate legal challenges that can be difficult to unravel. It is critical to work with attorneys who understand the business of affordable housing and have the creativity to get deals closed.

Following the COVID-19 global pandemic, the demand for affordable housing has never been greater, the benefits for communities and developers more significant, and the challenges more complex. The development of affordable housing brings tremendous opportunities and benefits for communities throughout the U.S., and local, state and federal laws affect these projects. Our multidisciplinary team can help you navigate this complex landscape and overcome challenges from concept to closing.

We are experienced in all aspects of affordable and mixed-income/mixed-use housing and community development matters that include a wide ranging area needs. Our clients include all of the participants in the affordable housing process: developers, lenders - including bank community development departments and bank direct purchasers of tax-exempt and taxable bonds, public housing authorities, state housing finance agencies and other bond issuers, owners, managers, underwriters and placement agents. Our team is dedicated to counseling clients on all sides of Affordable Housing projects, developments, and transactions.

Banking and Financial Services	Opportunity zones
Corporate Transactions	Projects receiving Section 8 housing assistance payments
Federal, state and local government housing assistance and grant programs	Public finance
Government-backed financing programs	Regulatory and Legislative matters
Historic Tax Credits (HTC)	Rental Assistance Demonstration (RAD) program development
Low-Income Housing Tax Credits (LIHTC)	Tax and business entity structuring
Mixed-income and mixed-use developments/ public-private partnerships	Tax-exempt bonds
New Market Tax Credits (NMTC)	

OUR APPROACH TO THE MARKETS

Building from a variety of backgrounds, including banking and finance, tax, real estate, construction, workouts, environmental, legislative advocacy, and litigation, our national team is perfectly positioned to help you with any project including:

- **Advising developers, owners and operators in local markets and nationally with multiple areas including every kind of housing from communities designed for the elderly and those needing supportive services to housing for veterans, using every type of financing resource.**
- **Counseling nonprofit or municipal developers or housing operators, from housing authorities to community groups.**
- **Advising on issues tied to government entities including local and state housing authorities and finance agencies.**
- **Assisting in their efforts to promote and preserve the integrity of affordable housing nationwide and its financing mechanisms.**

Drawing from a variety of backgrounds, including banking and finance, tax, real estate, construction, workouts, environmental, legislative advocacy, and litigation, we are perfectly positioned to advise with any project. Our lawyers include recognized leaders with years of hands-on experience with housing and community development programs and agencies on every level. Reflecting the complicated nature of many of these projects, our team includes veteran real estate, tax, syndication, land use, public finance and policy attorneys who work together to deliver an integrated approach to client needs.



We have a cooperative arrangement with law firm Shenhav Konforti Rotem & Co. in Israel.

* A Strategic Alliance Between FuJae Partners and McGuireWoods LLP
** McGuireWoods London LLP

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LENDING: GSEs AND OTHER CAPITAL SOURCES

Members of the affordable housing team have extensive experience representing multifamily agency lenders pursuant to the Fannie Mae Multifamily Affordable Housing and Freddie Mac Optigo Lender Targeted Affordable Housing programs, as well as mortgage banking and mortgage brokerage services and letter of credit-backed construction bond transactions. We assist clients with the origination of multifamily mortgage loans with affordable housing attributes such as Low-Income Housing Tax Credits, Section 8 Housing Assistance Payment Contracts, regulatory agreements, tax abatements/exemptions, subordinate debt originated by state and local regulatory agencies, and other subsidies provided pursuant to federal and state affordable housing and community development programs. Our team also assists with the negotiation and origination of unfunded forward permanent loan commitments as credit support in connection with the construction of affordable housing projects.

In addition, we represent traditional portfolio lenders (including bridge-to-agency programs), construction lenders and mortgage originators of commercial mortgage-backed securities conduit lending programs on loans secured by affordable housing properties. We represent senior lenders in connection with issues arising from secured and unsecured subordinate debt, including preferred equity and mezzanine financing. Our team handles loan servicing matters in the affordable housing sector, including transfer requests, assumptions, property-level consent requests, and modifications and extensions of portfolio loans. We have helped clients organize and maintain high-volume real estate loan programs and have assisted in the development of lending programs and loan documentation for nationwide and more locally targeted use.

LOW-INCOME HOUSING TAX CREDIT

Our team is dedicated to counseling clients on all sides of Affordable Housing projects, developments, and transactions. Our lawyers have experience advising on Low-Income Housing Tax Credit (LIHTC), public-private partnerships, governmental financing and economic development initiatives, tax allocation (TIF) district formation and financing, and other tax-exempt bond financings. Tax issues accompany nearly every business decision and requires a bold approach guided by knowledgeable and experienced tax counsel. McGuireWoods' business tax lawyers help clients achieve their business goals by minimizing risks and maximizing after-tax profits, and by advising them on the day-to-day business and legal issues impacting their transactions.

MCGUIREWOODS CONSULTING

McGuireWoods Consulting is a leader in developing innovative and strategic ways to serve our clients. Founded in 1998, our full-service public affairs firm works at the intersection of policy and business. The distinctive value our team brings to solving major public policy challenges lies not only in our ability to help clients craft workable policy proposals, but in the design of sophisticated, multifaceted message development and issue advocacy strategies that successfully convert the proposals into law. Our experience includes representing clients in the manufactured housing industry, creating and expanding tax credits for affordable housing, landlord-tenant regulation, finding opportunities for public-private and housing finance opportunities for developers and equity funds, property evaluation structures and successful land use entitlement applications.

PUBLIC FINANCE

Since the inception of the practice at the firm more than 35 years ago, our lawyers have continually employed innovative financing techniques to achieve our clients' objectives. We not only pioneered the use of public-private partnerships, special revenue, tax and assessment pledges, lease financings, tax and revenue anticipation vehicles, real estate secured loans, and moral obligation pledges and other subject-to-appropriation financings, we established the validity of these financing options through legislation, judicial validations and administrative interpretations.

REAL ESTATE CAPITAL MARKETS INDUSTRY FOCUS

McGuireWoods' multidisciplinary real estate capital markets industry team helps Fortune 100 companies, financial institutions, commercial developers, investors, buyers and sellers, and nonprofit organizations, in all aspects of real estate financing and development. We recognize that success in sophisticated real estate transactions and development endeavors demands a multi-disciplinary perspective.

SELECT REPRESENTATIVE EXPERIENCE

- Counsel to developers in multi-tiered financing structure affordable housing transactions.
- Negotiation and closing of real estate and tax credit transactions, including structuring partnership and investment documents for historic, new markets and low-income housing tax credit partnerships and transactions.
- Representation of redevelopment authorities in affordable housing projects involving HOPE VI funds and low income housing tax credits.
- Representation as bond counsel for most of the low- and moderate-income housing bonds (often combined with 4% tax credits) issued by housing authorities and other local issuers in North Carolina.
- Representation of a municipality as a leveraged loan structure lender. The loan structure was used to finance mixed-use affordable housing deals, thus improving the citizens' quality of life.
- Counsel to Baltimore City in a variety of different capacities to assist in transactions throughout the Baltimore community through use of tax-exempt and taxable bonds, New Markets Tax Credits, low income housing tax credits, and other government loan programs, including the federal HOME program.
- Representation of leading U.S.-based financial institutions in the refinancing of a multifamily housing complex that occupies five city blocks in New York. The property is an affordable housing project that enjoys the benefit of several tax abatements and is encumbered with certain regulatory agreements and rent restrictions. The borrower was a complex joint venture between two large equity players and contained a preferred equity component.
- Representation of Optigo Lender and Freddie Mac in connection with the financing of a \$270 million acquisition. The financing involved \$151 million-worth of loans, broken down into 50 Freddie Mac loans secured by 54 multifamily properties located in Manhattan. The properties included several affordable housing and workforce housing projects.
- Representation of redevelopment authorities in affordable housing projects involving HOPE VI funds and low income housing tax credits.
- Representation of a member of the World Bank Group in its investment in affordable housing in multiple African countries.
- Representation of a global investment firm in review of U.S. Department of Housing and Urban Development mortgage documents. Representation of the Richmond Redevelopment and Housing Authority on a private activity bond financing for an affordable housing project in the Manchester area of Richmond.
- Representation to serve as bond counsel to the City of Norfolk, Virginia in connection with a Section 108 HUD Financing for the City's new Southside Library.
- Representation in a multi-family affordable housing project in Arlington, including a 160 unit affordable housing project in Arlington that was a partnership between a leading nonprofit developer and a preeminent veteran's organization.
- Pro bono representation of nonprofit in creation of affordable housing for low-income elderly.

McGuireWoods is ranked by the *2021 U.S. News and World Report Best Law Firms* survey for our **National Tier 1 Land Use & Zoning Law, Public Finance Law, Real Estate Law, and Tax Law** practices. Our multidisciplinary team of lawyers in our Affordable Housing sector are national leaders in their practices dedicated to this industry.

Industry Recognitions

MCGUIREWOODS EARNED FIRST-TIER NATIONAL RANKINGS IN 23 PRACTICE AREAS AND IS AMONG 20 FIRMS WITH THE MOST NATIONAL TIER 1 RANKINGS.

U.S. NEWS-BEST LAWYERS "BEST LAW FIRMS," 2021

FOR THE FOURTH TIME, NAMED ONE OF NORTH AMERICA'S MOST INNOVATIVE LAW FIRMS.

FINANCIAL TIMES "NORTH AMERICA INNOVATIVE LAWYERS"

FOR THE 14TH TIME, NAMED TO PRESTIGIOUS "CLIENT SERVICE 30" — THE GOLD STANDARD IN MEASURING CLIENT SERVICE.

BTI "CLIENT SERVICE A-TEAM"

RECOGNIZED FOR REMARKABLE GROWTH IN DEAL WORK AND INNOVATIONS THAT ESTABLISH THE FIRM AS AN INDUSTRY LEADER.

MERGERS & ACQUISITIONS "LAW FIRM OF THE YEAR"

FOR SEVENTH STRAIGHT YEAR, RATED AMONG TOP LAW FIRMS WITH THE STRONGEST BRANDS, PRAISED FOR CUTTING-EDGE INNOVATION AND CLIENT SERVICE.

BTI "BRAND ELITE"

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