FREDDIE MAC OPTIGO®

Employer-Enabled Permanent Supportive Housing

ADDRESSING HOMELESSNESS THROUGH EMPLOYMENT AT PROPERTIES WITH SUPPORTIVE HOUSING

According to the U.S. Department of Housing and Urban Development, there are over half a million people who experience homelessness throughout the United States.

Freddie Mac Multifamily has made addressing homelessness a priority. As part of this effort, Freddie Mac has paved the way to finance properties with sponsors that offer Employer-Enabled Permanent Supportive Housing (EPSH).

Through this initiative, nonprofit organizations and multifamily borrowers are working together to train, employ and provide housing for unhoused individuals.

HOW EPSH WORKS	• **Job Training:** Borrowers engage external or affiliate nonprofits that train individuals at risk of homelessness for employment opportunities at multifamily properties. • **Employment:** Borrowers select candidates via a standard interview process. • **Housing:** Borrowers provide a discounted unit to hired individuals. • **GPR Consideration:** Freddie Mac will underwrite up to two discounted employee units per property to average in-place gross potential rent (GPR) without an associated expense, mitigating any reduction in proceeds to the borrower. • **Eligible Products:** EPSH can be applied across all Freddie Mac financing, except: <50-unit properties, Value-Add, Lease-Up, Seniors, MHC, Conventional Small and Non-LIHTC Preservation Rehab.
BENEFITS FOR BORROWERS	• For eligible products, the relevant employee unit may be underwritten to average in-place GPR without an associated expense. • Helps borrowers find well-trained and suitable employees, especially during property management labor shortages.
BENEFITS FOR INDIVIDUALS	• Ability to earn market wages as well as a potentially discounted employee unit. • The combination of stable employment and a 12-month lease can aid homeless individuals in their efforts to return to self-sufficiency. • Nonprofits with EPSH programs offer professional development beyond the on-thejob experience selected candidates would gain.
DOCUMENTATION REQUIREMENTS	• Borrower must provide Partnership Agreement with nonprofit and EPSH Borrower Certification during origination underwriting to qualify.