

# Workshop

HOUSING CREDITS | HOME | HOUSING TRUST FUND

2025

ALABAMA HOUSING  
FINANCE AUTHORITY  
*Come on home, Alabama.*

## Multifamily Bonds February 2025



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**PLEASE NOTE (Effective September 20, 2024):**

- The closing dates for all applications vary based on multiple factors, including readiness to close, environmental approvals, the coordination and timing of other financing sources, among other issues.
- Applications involving Workforce Housing Tax Credits (“WHTC”) will be prioritized for processing and awarding of bond cap per state law.
- Subject to prioritization of WHTC applications, all applications which meet AHFA Bond closing requirements will be scheduled for closing on a “Prepared to Close” basis as set out in the Bond Policy, regardless of when the application was submitted. Closings are subject to bond cap then available; bond cap is not reserved.
- Pending the release of the 2025 AHFA Multifamily Tax Exempt Bond Financing application package, all prior submitted applications and new applications submitted after February 1, 2025, will await processing until the issuance of AHFA’s annual allocation of bond cap.
- If there is no available bond cap for the remainder of the calendar year 2025, then all pending applications may be considered for 2026 bond cap, subject to availability, among other issues, and without guarantee.

AHFA makes no representations or warranties regarding the availability of private activity bond cap for allocation pursuant to the Multifamily Tax-Exempt Bond Authority Program.

AHFA reserves the right to modify, suspend or amend the Multifamily Housing Revenue Bond Policy in any respect at any time, with or without notice, and AHFA in its sole discretion may impose additional conditions, restrictions, and requirements.

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# Special Notice

# Workforce Housing Tax Credit Program

- On May 9, 2024, the State of Alabama enacted Act No. 2024-302 entitled "The Alabama Workforce Housing Tax Credit Act" (the "Act"), which established a new workforce housing tax credit ("Workforce Housing Credit") program. The Workforce Housing Credit program encourages and promotes continued investment in affordable rental housing for low-income households located in areas near to employers with expanding or recently created workforce jobs. Through these investments, the program is intended to increase the number of affordable housing units available to Alabamians seeking employment in areas of economic growth. The primary benefit to Qualified Taxpayers is a dollar-for-dollar reduction in certain Alabama state tax liabilities.

| Workforce Housing Tax Credit |   |
|------------------------------|---|
| WHTC                         | Amounts   |
| Allocation                   | \$5,000,000 per Year                            |
| Caps                         | Project - \$2,000,000<br>Rural - \$1,250,000    |
| Uses                         | New Construction                                |
| Units                        | Minimum - 12<br>Maximum - Financial Feasibility |

# AHFA Funding Programs

## Competitive

Low-Income Housing Credit Program

## Competitive

HOME Program Combined with Housing Credits (subject to applicable Plan requirements)

## Competitive

Workforce Housing Tax Credits with Multifamily Housing Revenue Bonds

## Competitive Open Cycle

National Housing Trust Fund Program

## Non-Competitive Open Cycle (Tentatively March 1- September 1)

AHFA Multifamily Bond Program

# AHFA Multifamily Bond Program – AHFA Multifamily Bond Policy

- AHFA issues Multifamily Housing Revenue Bonds (Bonds) on a project-specific basis for the acquisition, renovation, and new construction of affordable rental housing.
- Bonds provide debt financing to developers using proceeds from the sale of tax-exempt bonds in exchange for developers reserving a portion of their units for tenants earning less than the area's median income.
- Because most of these bonds are tax-exempt, developers may also qualify for housing credits. The sale of these credits offer developers additional funds for the production of affordable rental housing. Combining these funding sources ensures programs benefit the greatest number of Alabamians possible by encouraging the leveraging of additional loan, grant, and philanthropic sources.

# AHFA Multifamily Bond Program

- Multifamily Bond Applications are accepted and processed within the posted specified timeframes on a first-come, first-served and first-closed, first-served basis. (see Special Notice on website at [Multifamily Bonds | Alabama Housing Finance Authority](#))
- The initial step for any applicant seeking tax-exempt bond volume cap allocation from AHFA is to submit a written application . The application will not be deemed submitted until it is complete. A non-refundable application fee of \$10,000 in the form of a check made payable to AHFA must be submitted with the completed application. It is strongly recommended that a cashier's check or certified funds accompany your Application submittal to forego any banking concerns.
- If AHFA determines that the application is complete and otherwise satisfactory, AHFA will execute and deliver a written declaration of official intent with respect to the proposed project and bond issue no sooner than 30 days after the date on which the application is deemed complete.
- [Multifamily Bond Application Profile/Checklist and Accompanying Forms](#)
- Please send questions regarding the Multifamily Bond Program to: [ahfa.mf.bonds@AHFA.COM](mailto:ahfa.mf.bonds@AHFA.COM)



Thank you

[ahfa.mf.application@AHFA.com](mailto:ahfa.mf.application@AHFA.com)