

Sponsor-Dedicated Workforce Housing

Interested in promoting workforce housing? We have a product initiative that can help.

As the need for affordable workforce housing continues to grow, Fannie Mae is developing creative solutions to expand affordability and increase workforce housing renter accessibility. **Sponsor-Dedicated Workforce (SDW) Housing** is designed for conventional properties and provides sponsors with favorable financing when they create or preserve rents on a minimum of 20% of the units affordable to renters earning 80% of the Area Median Income (AMI) for the life of the loan. In certain high-cost markets, sponsors can create or preserve a minimum of 20% of rents affordable to those renters earning up to 100% – 120% of AMI.

SDW benefits

- Lower interest rates and competitive pricing
- Flexible loan terms, with simple loan document modifications
- Creation and preservation of workforce housing affordable to households earning up to 80% of Area Median Income or, in certain metros, up to 100% – 120% of AMI
- Supports socially responsible housing providers
- Provides conventional borrowers with the opportunity to create or preserve ongoing affordability for renters
- Straightforward annual rent monitoring with no third-party compliance requirement
- Can be combined with Fannie Mae [Green Financing](#)

What Fannie Mae provides

- Single-asset security that allows for customized mortgage loan structures
- Delegated risk-sharing model that provides certainty of execution, faster decisions, and quicker loan closings
- Experts who know the business and understand complex transactions
- Life-of-loan servicing results in seamless post-closing activities

Contact your Fannie Mae Deal Team to learn how SDW or our other products can help you compete for the business you want.



Expertise and a partnership you can rely on.

Rob Levin, SVP, Multifamily Chief Customer Officer

Fannie Mae is with you every step of the way when you use our **Sponsor-Dedicated Workforce Housing product**. Helping more people across the U.S. access quality workforce rental housing is part of our mission. Together, we can support a more equitable housing market by removing barriers that prevent people from finding an affordable place to call home.

Fannie Mae Sponsor-Dedicated Workforce (SDW)

Terms	5 – 30 years
Loan Amount	No minimum or maximum loan amount.
Maximum LTV	80%
Minimum DSCR	1.25x
Sponsor-Dedicated Workforce Legal Requirements	The Loan Documents require the Borrower to establish the units with SDW-restricted rents by the Mortgage Loan closing date and be in compliance with the rent restrictions within 12 months from closing.
Annual Compliance Requirements	The Servicer manages the affordability requirements, including an annual verification of the SDW-rent restrictions. Borrower must submit rent rolls and a certification of compliance annually to the Servicer.
Execution Options	MBS
Supplemental Financing	Supplemental Mortgage Loans are available.
Rate Lock	30- to 180-day Rate Lock periods are available.
Asset Management	The Borrower has 12 months to comply with the SDW rent restrictions in the Loan Documents. The Servicer is responsible for notifying Fannie Mae of noncompliance.