

Sponsor-Initiated Affordability (SIA) vs. Sponsor-Dedicated Workforce (SDW) Housing

Comparison Chart

Sponsor-Initiated Affordability (SIA)

Target: Multifamily Affordable Housing (MAH) and Social Impact

Minimum Threshold	20% of units restricted to tenants earning up to 80% of Area Median Income (AMI)
Restrictions	Income and rent restrictions in place for the life of the Mortgage Loan
Compliance Monitoring	Third-party verification of annual rent and tenant income
Required Loan Documents	<ul style="list-style-type: none"> • Sponsor-Initiated Affordability Agreement (Form 6490); • Modifications to Loan Agreement (Sponsor-Initiated Affordability) (Form 6271); and • Payment Guaranty (Pricing Incentive Recapture) (Form 6020.PIR)

Sponsor-Dedicated Workforce (SDW) Housing

Target: Conventional

Minimum Threshold	20% of units restricted to tenants earning up to 80% of AMI or, in certain metros, up to 100% – 120% of AMI
Restrictions	Rent restrictions in place for the life of the Mortgage Loan
Compliance Monitoring	Annual Servicer review; the Borrower must annually submit rent rolls to the Servicer and a certification of compliance with the SDW-rent restrictions via the Supplemental Annual Loan Agreement Certification (Form 6620.Supplemental.SDW)
Required Loan Documents	<ul style="list-style-type: none"> • Modifications to Loan Agreement (Sponsor-Dedicated Workforce Housing (Form 6271.SDW); and • Modifications to Security Agreement (Sponsor-Dedicated Workforce Housing (Form 6325)