

Site Acquisition & Finance Initiative (SAFI) Bridge Loan Program

Request for Proposals for Participating Lenders

Colleen Green, Director
Department of Housing and Community Development
1909 Martin Luther King Jr Avenue SE
Washington, DC 20020

Issue Date: Friday, February 20, 2026
Submission Deadline Date: Friday, March 20, 2026
at 4:00 pm Eastern Standard Time

RFP Schedule

February 20, 2026	Issuance of Lender RFP
April 3, 2026	RFP Responses due
April 6 - April 17, 2026	Interviews with applicant Lenders
April 23, 2026	Select Lender(s)
April 30, 2026	Finalize Lender agreements
May 1 - May 29, 2026	Lender agreement approval process <i>(inclusive of the Council of the District of Columbia, so this is the best estimate)</i>
June 30, 2026	Lender(s) begin accepting applications

Overview

The District of Columbia Department of Housing and Community Development (DHCD) is seeking to partner with organizations who provide real estate financing and technical assistance to affordable housing developers (“Lenders”). The Site Acquisition & Finance Initiative Bridge Loan Program (“SAFI Bridge Loan Program”; “the Program”) will leverage DHCD funds with private funds to allow the selected Lender(s) to provide flexible, easily accessible bridge loan funds to organizations committed to creating and preserving affordable housing in the District of Columbia.

The SAFI Bridge Loan Program will:

- Leverage public and private financial resources to support production and preservation of affordable housing in the District of Columbia;
- Assist affordable housing developers with the creation and preservation of affordable housing in the current real estate market; and
- Provide a streamlined process to administer predevelopment, acquisition, mezzanine financing or other bridge loans by partnering with lenders with funds to finance opportunities for affordable housing production and preservation.

Role of Lenders

DHCD will invest agency funds with the selected Lender(s) to leverage their ability to provide predevelopment, acquisition, mezzanine financing or other bridge loans. DHCD reserves the right to select several Lenders. Each Lender will:

- Receive a master loan from DHCD (“DHCD Loan”).
- Use the proceeds of the DHCD Loan together with its own funds to make flexible predevelopment, acquisition, mezzanine financing or other bridge loans for eligible affordable housing projects to developers. Lender(s) will market, underwrite, originate and service the SAFI Bridge Loans in the marketplace, thus sharing risk with the District of Columbia.

- Enable affordable housing developers who need financing to create and/or preserve affordable housing in various unique situations including, but not limited to, i) an affordable housing project under construction that needs short-term bridge financing to reach completion as a bridge to permanent debt or equity; or ii) opportunities to provide flexible mezzanine capital in return for covenanted affordable housing units in a given multifamily property (“Creative Financing”).
- As projects obtain permanent financing, the Lender(s) will receive repayment that will be recycled through the SAFI Bridge Loan fund to re-lend for other eligible projects.
- Report on the use of the DHCD Loan under the SAFI Bridge Loan Program.

DHCD Requirements

Role of Lender

Lenders will use proceeds from the DHCD Loan, together with its own funds (“Participation Funds”) to make SAFI Bridge Loans for affordable housing purposes.

At a minimum, Participation Funds shall match the DHCD Loan on a one-to-one (1:1) basis. Lenders, however, are encouraged to contribute Participation Funds in an amount that exceeds the DHCD Loan, as DHCD will give greater consideration to lenders who propose a lender / DHCD funding ratio greater than 1:1. DHCD, in its sole discretion, may consider applications that propose less than the stated minimum.

Form of Leveraging

Lenders may use the DHCD Loan to:

- Partially fund the Lender’s SAFI Bridge Loans; and/or
- Deposit the proceeds from DHCD Loan into a partial guarantee fund for the Lender’s SAFI Bridge Loans.

Funding of DHCD Loan

DHCD will disburse the full amount of the Lender’s DHCD Loan within 45 days of entering into DHCD Loan Agreement with DHCD.

DHCD Loan Terms

- 0% interest
- Lender must provide loans on a blended rate basis to reflect the 0% DHCD Loan rate plus the spread permitted on DHCD funds.
- DHCD’s portion of SAFI Bridge Loan repayments must be used to either repay the DHCD Loan or provide loan funds for other eligible projects under this initiative.
- All SAFI Bridge Loans must have a final maturity date not later than thirty-six (36) months after closing on the loan.

- Timely Use of Funds**
- Lender must disburse DHCD Loan funds under the SAFI Bridge Loan Program promptly. DHCD Loan funds not encumbered by closed loans within twelve (12) months of disbursement by DHCD to any Lender are subject to recapture.
 - Lender must be able to process its individual loans on a timely basis (typically 30-60 days from receipt of a complete application to closing).

Risk Sharing Risk shall be shared as follows: DHCD to take top 25% of risk. Balance shared pro rata based on participation (less top loss). *For example, if the SAFI Bridge Loan is \$1,000,000 of which half is the DHCD Loan (i.e., \$500,000), DHCD will bear the first \$250,000 of loss. The remainder of any loss will be borne 1/3 by DHCD and 2/3 by the Lender.*

Security Lender shall provide DHCD with an enforceable security interest in each SAFI Bridge Loan originated by Lender, in a form to be determined by DHCD.

ELIGIBLE USES OF FUNDS

Predevelopment Loans Applicant should propose loan terms in its RFP response.

Acquisition Bridge Loans Applicant should propose loan terms in its RFP response.

Mezzanine Loans Applicant should propose loan terms in its RFP response.

LOAN ADMINISTRATION

Development Progress Requirements Lender will require participating housing developer (“Borrower”) to provide, for each SAFI Bridge Loan under consideration, a specific schedule for project development, including the status of environmental review (i.e., Phase I and/or Phase II ESA), development entitlements (land use/zoning), project designs/construction drawings/permits, general contractor selection, and construction and permanent financing commitments.

Loan Approvals After Lender underwrites and secures approval of a proposed SAFI Bridge Loan by its standard internal process, it will provide project information to DHCD. DHCD will approve or disapprove DHCD participation in the loan within **seven (7) business days** or DHCD shall inform the Lender of any reasons for a delayed response.

Lender Reporting to DHCD Lender shall report to DHCD (1) quarterly on applications received, loans funded, number of proposed units at various income levels, the status of each loan originated, and any default, foreclosure, or transfer activities underway; and (2) monthly on the status of any loan delinquent for 30 days or more or any violation of DHCD Loan terms of the loan agreement.

Lender Qualifications

To participate as a Lender, the organization must:

1. Demonstrate a substantial record of real estate lending in the District of Columbia during the last five years, preferably with a focus on affordable housing;
2. Have a strong record of success in its lending activities, evidenced by a high rate of loan repayment by developers, timely repayment and completion of funded projects, and a low rate of defaults and foreclosures;
3. Demonstrate a record of creativity in providing solutions to financing hurdles encountered in the marketplace.
4. Commit its own funding to the following activities:
 - a. Predevelopment Loans
 - b. Acquisition Loans
 - c. Mezzanine Loans, and
 - d. All other eligible projects or financing structures.
5. Assist with and/or provide construction services and technical assistance to developers.
6. Be ready to proceed immediately with implementation of the SAFI Bridge Loan Program upon award.

Evaluation Process & Application Submission Requirements

Within the application, the narrative should be no longer than ten (10) pages* and should provide the following information:

1. Describe how you would utilize the Program including:
 - amount of DHCD Loan sought
 - use of Lender funds
 - types of loans and projects on which Lender focuses
 - risk participation
2. Describe real estate and housing development lending activity you have closed within the past five years - with a focus on affordable housing - within the District of Columbia. For each loan, provide:
 - Identifying information about the Borrower
 - Brief project description (e.g., type of housing, number of units, no. of affordable units, location)
 - Loan terms - purpose of loan, repayment term and source, interest rate, interest payment terms, collateral/security

- Loan status - outstanding, repaid in full, written off, borrower compliant or non-compliant with loan terms, etc.
3. Summarize information about the aggregate loan portfolio of your office responsible for District of Columbia lending, including:
 - Geographic area served
 - Total loans made (amount and number)
 - Total loans repaid in full (amount and number)
 - Total loans written off (amount and number)
 - Loans currently outstanding – compliant/non-compliant
 4. Describe your proposed loan terms for affordable housing loans, including
 - application and other fees
 - loan duration
 - collateral requirements
 - interest rate and timing of required payments
 5. In general terms, what do you anticipate the demand to be for Program funds loaned by your organization, including types and scale of projects, locations, and level of borrower experience?
 6. State the interest rate spread at which you propose to lend DHCD funds as a component of the blended rate to be offered for Program loans, and the interest rate to borrower that would result. Describe the assumptions that you use to arrive at this proposed spread, and the variables that would increase or decrease the spread.
 7. Provide:
 - a. The number and aggregate amount of SAFI Bridge Loans that you expect to be able to originate in the period July 1, 2026 to June 30, 2027.
 - b. The aggregate amount of your funds that you would provide as matching predevelopment loan funds for the projects funded under subparagraph 7a.
 - c. The aggregate amount of your funds that you would provide as acquisition bridge loan funds for the projects funded under subparagraph 7a.
 - d. The aggregate amount of your funds that you would provide as mezzanine loan funds for the projects funded under subparagraph 7a.
 8. Please provide resumes of all professional staff who will be working on funded projects under the SAFI Bridge Loan Program.

9. Please provide copies of your standard loan term sheet(s) and loan documents (e.g., loan agreement, promissory note, deed of trust, and any other documents executed by borrower at or prior to loan closing).

** The overall RFP response can exceed ten (10) pages to include project lists and staff resumes.*

Applicants should submit their RFP response to DHCD no later than 4:00 P.M on Friday, April 3, 2026, via hard and emailed pdf copy.

One (1) hard copy RFP response shall be delivered to:

Synina Pugh
Special Assistant to the Director
D.C. Department of Housing and Community Development
1909 Martin Luther King Jr. Avenue SE
Washington, DC 20020

An electronic version of the RFP response in pdf format shall be submitted via email to the SAFI Bridge Loan RFP email address:

sblr.dhcd@dc.gov

The **required** file naming convention for the emailed version of the application is:

“DHCD_FY26SAFIBridgeRFP_(Lender Name)_(Date)”

Applicants should forward any questions to DHCD staff referenced in this RFP document. DHCD will provide written responses to questions within 72 hours of receipt and will also post the written responses on the agency website.

DHCD will review applications and expects to invite qualified lenders to be interviewed for selection in April 2026 per the RFP Schedule. Applicants should be sure to have qualified staff available for the scheduled interview with DHCD staff.

DHCD expects to complete its selection process for Lender participants by the end of April 2026. In accordance with the RFP Schedule, DHCD will enter into a DHCD Loan Agreement with the selected Lender(s) to allow disbursement of DHCD funds to the selected Lender(s). DHCD’s goal is to have SAFI Bridge Loan Program activity commence by July 2026.

All final determinations and selection of participants shall be subject to all applicable District laws and regulations, including, but not limited to, those that require community participation.