

# Affordable Housing Industry Veteran Steven Fayne Joins Align Finance Partners

October 1, 2018



San Francisco, CA, (Sept. 28, 2018) — Steven Fayne, a long-time trailblazer in the affordable housing industry, has come out of retirement to join Align Finance Partners, a commercial real estate finance company that provides innovative mezzanine financing for the acquisition, renovation and development of affordable housing communities in the Western U.S.

With over 20 years of experience in the affordable housing industry, Fayne was drawn to Align because of the unique opportunity that the company has to make an impact on the current affordable housing crisis. The National Low-Income Housing Coalition reports a nationwide shortage of 7.2 million units for low-income renters. In California, for every 100 extremely low-income renters, there are only 22 affordable and available rental homes, leaving the other 78

renters without any affordable options.

“This is a niche that hasn’t been served,” says Fayne. “I’m a junkie for niche products that are on the forefront, especially ones like this that address a huge need.”

“Steven brings decades of lending experience in affordable housing,” says Dani Evanson, one of the firm’s founding partners. “He has seen every type of affordable housing project and worked with hundreds of borrowers and other lenders. This is a guy who has structured billions of dollars.”

Rising interest rates, construction costs and land values are all impeding the ability of developers to address this shortage. In response to this pressing crisis, Align provides financing to developers that include a ratio of at least 20% affordable housing units in their developments by purchasing private activity bonds (PABs). The interest on these bonds is exempt from federal income tax, making this form of financing high in both impact and performance.

“Tax-exempt financing has been around for a long time,” says Evanson. “What hasn’t been around is a platform like ours that’s dedicated to providing the combined tax-exempt mezzanine piece. We have created a new debt product to help finance the preservation and development of desperately needed affordable housing.”

## Steven Fayne

As a Principal of Align Finance Partners, Mr. Fayne will be responsible for the origination and structure of the company’s tax-exempt bond investments. He is a nationally recognized leader in multifamily affordable housing finance, having originated more than \$7B of investments over 30 years. Prior to joining Align, Mr. Fayne was the former managing director of Citi Community Capital. He began his career in affordable housing in 1992 when he formed Eichler Fayne & Associates, one of the first Fannie Mae Delegated Underwriting and Servicing mortgage banking firms in the industry. He led the affordable housing division of ARCS Commercial Mortgage, and he later moved the affordable housing division to GMAC Commercial Mortgage. Each of these companies was the national leader in affordable housing finance for Fannie Mae and Freddie Mac.

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Mr. Fayne earned a B.A. from Vanderbilt University, a Bachelor of Law degree from Cumberland School of Law and a Master of Laws in Taxation from New York University.

**Align Finance Partners**

Align Finance Partners is a private commercial real estate finance company that provides innovative subordinate gap financing (up to 90% loan to cost) for the acquisition, renovation and development of affordable housing communities in the Western U.S. The firm creates an alternative financing to equity. Qualifying projects must reserve a minimum of 20% of the units for low-income residents and comply with all applicable qualification regulations. The financing is structured as a tax-exempt private activity housing bond, or 501(c)(3) bond, secured by a second deed of trust on the subject property or interest in the ownership entity.

Since 2005, the Align management team has created and facilitated more than 26 tax-exempt subordinate bonds to finance the acquisition and rehabilitation or development of affordable housing communities. Align's founding partners are Michael Costa, Dani Evanson, Michael Potter and Robert Tetrault.

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