

chfa 2026 federal 4 percent pab fund



Overview

CHFA is proud to support its mission of affordable housing and community development statewide using a variety of innovative resources including Private Activity Bonds (PAB). To assist our partners and customers, CHFA has created a PAB Fund for federal 4 percent Housing Tax Credit projects seeking PAB in 2026. Please review all guidelines and CHFA's Qualified Allocation Plan (QAP) prior to submitting a Letter of Intent (LOI) for the CHFA 2026 federal 4 percent PAB Fund (2026 PAB Fund).

CHFA is not alone in deploying PAB to support statewide needs. In 2026, the Department of Local Affairs (DOLA) will allocate more than \$370 million in PAB to local city and county issuers. To view a list of all 2025 statewide allocations designated to local issuing authorities. [View a list of all 2025 statewide allocations designated to local issuing authorities.](#)

Applicability

This document governs the allocation of PAB for federal 4 percent Housing Tax Credit applications requesting PAB from the 2026 PAB Fund. All applications are subject to CHFA's QAP.

Application

For federal 4 percent Housing Tax Credit Applications, CHFA requires an LOI and a Concept Meeting as early as 90 days, and not less than 45 days, prior to submission of the Housing Tax Credit application.

- Rolling applications are accepted by 5:00pm MT on the first business day of April, May, July, September, October, and November 2026.
- Application for up to \$20 million of PAB with a transfer of 50% of the local issuer's 2026 annual allocation amount (not less than \$1 million), or \$10 million, whichever is less, to support the project, or
- Application for up to \$5 million of PAB to transfer to a local issuer that will contribute 50% of the local issuer's 2026 annual allocation amount (not less than \$1 million) to support the project.
- Aggregate Basis is limited to the higher of 30% or permanent supportable debt.

Eligibility

- Limit of one application per applicant or affiliate to the 2026 PAB Fund.
- New construction, existing projects without Housing Tax Credits, and existing projects with Housing Tax Credits in year 5 or later of the extended use period (i.e. year 20 or later beginning with the first year of the credit period). Existing projects with Housing Tax Credits serving persons experiencing homelessness and projects serving special populations in year 16 or later of their extended use period.
- Acquisition/rehabilitation projects with a minimum hard cost of \$75,000 per unit.
- All minimum amenities are required.

- All sources must be committed or demonstrate intent to commit to support financial feasibility.
- If applicant received a previous award of federal 4 percent Housing Tax Credits outside of Round Two, evidence of closing is required.

Project Readiness

- Applicants are expected to close by the construction loan closing date stated in the application or no later than 12 months from Housing Tax Credit application.
- Reservations of 2026 PAB Fund volume cap will expire 10 business days after the construction loan closing date stated in the application unless an extension has been requested and approved 30 days prior to the closing date.
- A one-time, discretionary extension request and fee of \$10,000 may be requested for up to 60 days and must be for circumstances beyond the control of the applicant, at CHFA's sole discretion.

Additional Criteria

- If on the first business day of an eligible application month, demand exceeds the availability of the 2026 PAB Fund, CHFA will use the following criteria to evaluate each application competitively:
 - Date of construction closing
 - Status of zoning and entitlements
 - Level of construction drawings and pricing
 - Market conditions
 - Site suitability
 - Proximity to existing properties with Housing Tax Credits
 - Financial feasibility
 - Developer track record

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Guidelines and FAQs

What are CHFA's goals for the 2026 federal 4 percent PAB Fund (2026 PAB Fund)?

- To make available CHFA PAB volume cap resources to support projects with federal 4 percent Housing Tax Credits.
- To reserve and issue CHFA PAB resources for shovel-ready projects.
- To increase supply as well as preserve the affordable housing inventory in Colorado.

What is the total amount of PAB available for the 2026 PAB Fund?

- \$125 million

How do I apply?

- CHFA requires a Letter of Intent (LOI) and a Concept Meeting as early as 90 days, and not less than 45 days, prior to submission of the Housing Tax Credit application. Rolling applications will be accepted by 5:00pm MT on the first business day of April, May, July, September, October, and November 2026.

If CHFA reserves all 2026 PAB Fund volume cap, can an applicant still submit an LOI in 2026 to get on the waiting list for the CHFA 2027 federal 4 percent PAB Fund (2027 PAB Fund)?

- No. CHFA is not creating a waiting list.
- CHFA will evaluate 2026 program effectiveness, monitor availability and needs, and continue to seek stakeholder input to inform the 2027 PAB Fund guidelines.

Can an applicant also apply for the 2026 PAB Fund if they are submitting a noncompetitive federal 4 percent application with 100% of PAB provided by another jurisdiction?

- Yes.

What if my federal 4 percent Housing Tax Credit application project is not participating in the 2026 PAB Fund?

- Federal 4 percent Housing Tax Credit applications are accepted throughout the year except during the months of February, August, and December.

What if I still have questions?

Please contact:

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CHFA reserves the right to manage, operate, and administer 4 percent PAB Pool, in its sole and absolute discretion, as it deems appropriate. CHFA may implement, amend, modify, withdraw, change, update, or waive any rules and requirements for the 4 percent PAB Pool applicants, projects, or reservations without the need for public notice or input. Notwithstanding anything to the contrary, CHFA reserves the right, in its sole and absolute discretion, at any time and for any reason, to i) allocate or not allocate any amount of the 4 percent PAB Pool; ii) reject or deny any application(s); and iii) not reserve or allocate PAB to any applicant or project.

800.877.chfa (2432)

800.659.2656 tdd

www.chfainfo.com/pab



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