



# Freddie Mac Develop the Developer<sup>SM</sup>

Stimulating community-centric  
creation of affordable housing  
supply

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In 2020, Freddie Mac introduced Develop the Developer, an innovative program inspiring reinvestment and development in historically underserved communities. Through this program, Freddie Mac strives to address critical national housing challenges: affordable housing supply shortage, gaps in knowledge and critical skills for aspiring real estate developers, mechanisms supporting connectivity and support within local markets and, most importantly, the disproportionate representation of women, Black, Indigenous and People of color (BIPOC) developers within the single-family and multifamily development industry.

To stimulate equitable and community-centric affordable housing supply, we have collaborated with local educational partners to build robust training curriculums and assemble technical assistance for aspiring developers through standardized Develop the Developer Academy (Academy) training opportunities in targeted markets. The Academy leads intensive 36-hour cohorts providing training in foundational development and financing instruction, technical assistance, community connectivity and access to funding sources for emerging developers.

Develop the Developer Academy offers the program by establishing academies integrated within local educational organization plans and program such as: [SPARK CDI](#) in Omaha, NE; and Tulsa Economic Development Corporation's (TEDC) [re\(Build\)](#) Tulsa plan in Tulsa, OK. Since its launch, the Develop the Developer program has successfully graduated 53 developers through four cohorts<sup>1</sup>.

## Who is Develop the Developer for?

This program is for professionals currently in single-family and multifamily residential development, construction, urban planning, asset management and real estate development to advance their careers and reinvest and develop in their communities.

### The program was originally established with a focus on the traditionally underserved:

- Women and BIPOC developers
- Emerging developers with 1-3 years of experience
- Developers committed to reinvesting in their local communities
- Professionals looking to grow and are currently working in construction, urban planning, mortgage lending, real estate sales, asset management and real estate development. However, the program is also available to a broad spectrum of professionals interested in the program and focused on community revitalization and development.

In the future, the program will expand to provide greater access to education and resources for experienced developers to support equitable development in historically underserved communities.

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<sup>1</sup> Completed four cohorts: three in Omaha, NE and one in Tulsa, OK. Additional cohorts are in calendar with our program partners, [SPARK CDI](#) and [re\(BUILD\)](#).



## Sample Academy Curriculum

As part of the program, our standardized training through the **Develop the Developer Academy** adheres to the following topics and curriculum components that address common knowledge gaps and provide valuable technical assistance and industry connectivity.

### Duration

2 Weeks (35 Hours)

### Curriculum Topics

- Site, design and due diligence
- Planning and zoning
- Multifamily development
- Entitlements and permits
- Permanent and construction lending
- Equity and gap financing
- Climate resiliency
- Construction management
- Property management
- Overview of local resources

### Graduates Receive Access To

- Business and development opportunities
- Industry subject matter experts and mentorship programs
- New connections to expand their professional network
- Scholarships to aid funding for development projects
- Access to funding sources for future development projects

## Program Markets and Timelines<sup>2</sup>

- **October 2020** | Launched the first Develop the Developer Academy through SPARK Academy in Omaha, NE.
- **February 2022** | Launch the second Develop the Developer Academy through the TEDC's re(BUILD) plan in Tulsa, OK. To tailor the curriculum to the local market, these developers received training on FORTIFIED Roofing™.



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<sup>2</sup> Spark Academy and TEDC's re(BUILD) plan offer bi-annual sessions



## Program Objectives

### **Revitalize communities**

Increase the redevelopment activity in strategic markets by collaborating with property stewards, including land banks to expand training and business opportunities for emerging developers, under-represented BIPOC and female developers.

### **Increase affordable housing inventory**

Collaborate with local stakeholders to redesign property disposition strategies and convert vacant properties into affordable housing units.

### **Train for future developments and localized investment**

Provide development education to local BIPOC and female developers, who may not have access to similar knowledge and tools.

### **Identify sources of credit and funding**

Foster connections to support developers with access to capital needed to fund projects, expand businesses and increase wages.

### **Facilitate industry collaboration**

Enable access to mentor and professional network expansion to increase shared knowledge and prospects for development collaboration.

## Community Value

### **Build credible community resources**

Empower traditionally underserved, emerging BIPOC and female developers with certified technical training to build credibility and connections, seek mentorship and begin development in their communities.

### **Elevate skillsets**

Enhance aptitude while nurturing traditionally underserved, local BIPOC and female developers with a solid commitment to develop and revitalize local underserved areas.

### **Revitalize the community**

Support historically underserved and communities of color by preserving neighborhoods, improving property values and increasing the number of new and refurbished affordable homes.

### **Promote equitable housing**

Reduce the inequality of homeownership among traditionally underserved communities of color and advance equality and sustainable homeownership from within communities in need of revitalization



## For More Information

Freddie Mac is committed to making home possible for millions of families and individuals by providing liquidity, stability and affordability to the nation's housing landscape within all economic conditions.

The Develop the Developer program focuses on the first step of the housing supply lifecycle with the creation and preservation of affordable housing supply, which is significantly constrained within our current environment.

At Freddie Mac, we strive to ensure equal access to housing and view this as an opportunity to bridge the gap with under-developed women and BIPOC developers who are under-represented within the current development landscape.

We are confident there are developers who are interested in investing in their communities to create thriving neighborhoods, but who do not have access to information, experts or resources to best navigate the journey. Develop the Developer is an important foundational opportunity for developers and communities alike.

We continue to use our breadth of expertise, industry partner relationships and desire to help overcome some of the toughest and often systemic housing challenges. The Develop the Developer program is continuously evaluated for viability and effectiveness in target markets to analyze challenges and opportunities of scalability across the U.S. housing market.



**Connect with Cassandra Skidanov, senior affordable lending manager and a member of the Freddie Mac Housing Solutions team or contact the Customer Support Contact Center (800-FREDDIE) to learn more about the program.**



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**Develop the Developer is part of Freddie Mac Housing Solutions. Focused on finding solutions and committed to leading innovative approaches and driving collaboration with industry partners to tackle some of toughest housing challenges.**



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## FAQs

### **Q1: What has Freddie Mac's role been in launching the program?**

A: Through the Develop the Developer program and the collaboration with industry partners, Freddie Mac brings together industry partners to create a standardized curriculum to drive the creation of affordable housing supply in historically underserved markets. We're supporting aspiring women and Black, Indigenous and People of Color (BIPOC) developers with modern adult learning platforms, creating affordable and measurable access to education and ongoing technical support for developer participants.

### **Q2: Besides Freddie Mac, are there other housing industry partners involved with the program?**

A: Yes. The Develop the Developer Academy (Academy) integrates a wide selection of professionals to foster a supportive ecosystem including developers, lenders, grant makers, city staff, architects, appraisers and mentors to create opportunities for future, successful development projects, well-informed developers and connectivity within the communities.

### **Q3: In what markets is Develop the Developer currently available?**

A: The program is currently offered in the Omaha, NE and Tulsa, OK markets.

### **Q4: When was Develop the Developer first launched and how many cohorts have been completed?**

A: Freddie Mac introduced the program in 2020, in collaboration with SPARK CDI, a Develop the Developer Academy in Omaha, NE. In 2022, Develop the Developer expanded into the Tulsa, OK market in collaboration with the Tulsa Economic Development Collaboration's (TEDC) re(build) Tulsa plan.

To date the program has gained 53 graduates across four cohorts.

### **Q5: What benefits do graduates receive from program enrollment and completion?**

A: Academy graduates receive training in the fundamentals of real estate development, a network of formal and informal relationships with industry and community experts and other local developers, a supportive ecosystem of professionals and access to financing for their future projects, all of which serves as a competitive advantage in their local markets.



#### Q6: Who can benefit from enrolling in the program?

A: Developers, builders and other housing professionals can all benefit from enrolling in the training cohorts. With this program, Freddie Mac strives to further empower women and BIPOC real estate developers to bridge disparities of representation within the current developer landscape.

Enrolled participants benefit by achieving community development and stabilization goals, progressing against affordable housing supply changes and bridging disparities with under-represented segments within the current developer environment.

#### Q7: How does this program benefit the community?

The program **enhances** community value by revitalizing and stabilizing communities with new and innovative development projects. By creating thriving communities, developers can deter the negative effects of gentrification and increase multifamily and single-family housing supply in historically underserved markets.

#### Q8: What impact has the program generated?

A: As of August 2022, the program has realized the following market and graduate impacts:

##### **Graduate Development Plans**

1. 16 active development projects. 75% of projects are single-family, yielding 70 new units.
  - a. 100% of new single-family units are in majority-minority census tracts.
  - b. 99% of single-family units are in redevelopment zones.

##### **Graduates Overview**

1. 40% of graduates obtained ongoing project support from local providers post-graduation.
2. Graduates come from a variety of backgrounds including community development staff, pastors, engineers, real estate agents, urban planners, accountants, entrepreneurs and business consultants.

##### **Development Capital Details**

1. Omaha graduates have secured \$1.1M in land awards.
2. Tulsa graduates have secured a \$225M redevelopment project.
3. Graduates have obtained \$32.5M in grant funding and over \$104M in new construction financing (Equivalent to 327 acres of land in Nebraska).
4. Academy hosts have attracted over \$2.5M in program continuance funding from sponsors.



**Q9: What does the future of Develop the Developer look like and are there plans to expand to additional markets?**

A: After the initial execution of the program, a thorough assessment is being conducted to determine the approach of the future program. This allows the Freddie Mac Housing Solutions team to incorporate best practices to evolve the program for scalability, efficiency and impact.

We are currently collecting data on the full impact of our program as we prepare for the evolution of the program to fulfil its purpose and support the increase of affordable housing supply.

Check back regularly to the [Freddie Mac Housing Solutions webpage](#) for updates on the program.

**Q10: How can I learn more?**

A: Connect with Cassandra Skidanov, senior affordable lending manager and a member of the Freddie Mac Housing Solutions team at [cassandra\\_skidanov@freddiemac.com](mailto:cassandra_skidanov@freddiemac.com) or contact the Customer Support Contact Center (800-FREDDIE) to learn more about the program.