



Bay Area  
Housing  
Innovation  
Fund

**FOR IMMEDIATE RELEASE**

**December 10, 2025**

**CONTACT:** Max Szabo | [max@szaboandassociates.com](mailto:max@szaboandassociates.com)

## **FIRST-IN-NATION FUND RAISES \$100 MILLION FOR AFFORDABLE HOUSING**

*Apple, Sobrato Philanthropies, and New Investors Deploy Major Resources to Address Bay Area's Biggest Problem*

**SAN FRANCISCO**— Today, the Housing Accelerator Fund (HAF) announced that they have raised an additional \$50 million for the Bay Area Housing Innovation Fund, bringing the fund total to \$100 million. The first-of-its-kind fund was created to provide fast, flexible, and low-cost financing that removes the uncertainty that constrains development and adds significant costs to affordable housing projects. With this expansion, the Investment Fund is projected to unlock more than 1,000 affordable homes cumulatively in the next two years. 1633 Valencia, developed by Mercy Housing California and the first BAHIF-backed project to demonstrate the power and efficacy of the fund, is scheduled to move its first residents in after the holidays, following a 19-month construction period. That project will deliver 145 homes for formerly homeless seniors at just \$525,000 per unit. **Representatives from Housing Accelerator Fund will have media availability today at the 1633 Valencia site at noon. Please respond to this email to RSVP.**

*“This is what’s possible when nonprofits and the private sector come together to drive innovative solutions to the biggest problems facing our communities,” **said Rebecca Foster, CEO of the Housing Accelerator Fund (HAF).** “We are leveraging these investments and deploying market-driven solutions to house more families in a fraction of the time and at a fraction of the cost.”*

Access to affordable housing remains one of the greatest challenges facing the region, and financing for such projects remains stubbornly elusive. Building new affordable housing traditionally requires developers to secure multiple competitive public funding sources, a process that delays projects for years and drives up costs: In the Bay Area, new affordable developments can take nearly a decade and cost almost \$1 million per

home. The Bay Area Housing Innovation Fund is changing this dynamic by transforming how affordable housing is financed. Launched in 2024 with anchor support from Apple, Sobrato Philanthropies, Destination: Home, and the Housing Accelerator Fund, the Fund's growth was enabled by additional commitments from Valhalla Foundation, The Harry and Jeanette Weinberg Foundation, and philanthropists Saikat Chakrabarti and Leah and Ben Spero.

*"Safe, affordable housing is a crucial foundation for people to thrive — and we're proud to help build more of it in the Bay Area," **said Kristina Raspe, Apple's Vice President of Global Real Estate and Facilities.** "By expanding our investment in the Bay Area Housing Innovation Fund, we're expanding our work with HAF and local partners to accelerate development and bring new homes to families across the region."*

The Fund offers traditional first mortgage loans, as well as second-position loans repayable from project residual cash flow. The Fund directs its investments towards developments that utilize innovative design, construction, and financing approaches to deliver homes faster and at lower cost compared to traditionally financed projects, targeting completion twice as fast and at cost savings of 25% or more.

Apple, Sobrato and Destination: Home first joined forces with HAF to [launch the Innovation Fund in 2024](#) with a \$50 million initial investment. The inaugural fund backed two projects that broke ground in 2024 and are speeding towards completion. In addition to the first project at [1633 Valencia](#) in San Francisco, a second project, Harvey West Studios in Santa Cruz, is also [underway](#) and will be the County's largest permanent supportive housing development when completed in 2026.

The Innovation Fund seeks to replicate and scale this type of achievement by providing project teams with financing certainty in exchange for clear alignment around cost and schedule goals that drive disciplined, high-quality execution.

*"As an anchor investor in BAHIF, and a strong proponent of innovative solutions to the ongoing housing crisis, I am incredibly proud of the progress we have made in delivering our promise to the community. Not only are we nearing completion of the first BAHIF-funded affordable housing complex in San Francisco but we're accelerating our capacity to build more affordable housing, faster with new partners and investors," **said John A. Sobrato, Board Chair Emeritus of The Sobrato Organization.** "On behalf of The Sobrato Organization and the Sobrato family, we encourage other funders to join this effort - together, we have the power to strengthen communities for the benefit of all," he concluded.*

Building on strong demand from developers and the early success of its first two projects, upsizing to \$100 million will allow the Innovation Fund to better serve its growing pipeline. The Fund has already queued several new projects for investment, with a major focus in Santa Clara County. Among them is Affirmed Housing's Berryessa TOD Apartments in North San Jose, a 195-unit, 100% affordable, family-oriented community on land owned by the Santa Clara Valley Transportation Authority (VTA) at the Berryessa BART Station. Designed by DAHLIN Architecture, the project will provide homes for residents earning up to 60% of Area Median Income (AMI), with one quarter of the homes intended for formerly homeless households. Projects like Berryessa TOD, with a projected cost of less than \$750,000 per unit, exemplify the Innovation Fund's mission to pair financing certainty with cost-efficient, high-impact development. Additional projects are under consideration in Alameda, San Mateo, and San Francisco counties. The upsized Fund is expected to make its next round of capital deployments in early 2026.

*"The Bay Area Housing Innovation Fund represents the positive impact that public-private partnerships can have in our community," said **KJ Kaminski, Director of the County of Santa Clara's Office of Supportive Housing.** "The Berryessa TOD project is an example of what we can do when key partners come together to leverage public and private resources with a shared goal of building deeply affordable housing, including housing for families and residents experiencing homelessness. Sustained investments in housing solutions are needed across the Bay Area, and we are excited to continue to partner with the Housing Accelerator Fund to create much needed affordable housing in Santa Clara County."*



*(Photo: Affirmed Housing's Berryessa TOD Apartments in North San Jose, DAHLIN Architecture)*

###

***The Housing Accelerator Fund*** is committed to the preservation and expansion of quality affordable housing for economically disadvantaged individuals and families throughout the greater San Francisco Bay Area. An innovative nonprofit public-private partnership and certified Community Development Financial Institution (CDFI), HAF works with community-based organizations, local governments, and private and philanthropic institutions to provide powerful new financing tools that accelerate housing solutions for the Bay Area's most vulnerable residents. This includes the newly launched Industrialized Construction Catalyst Fund as well as the Bay Area Housing Innovation Fund and other tailored financing products. Visit us at [www.sfhaf.org](http://www.sfhaf.org).