Bond Case Briefs

Municipal Finance Law Since 1971

S&P Criteria | Governments | U.S. Public Finance: Methodology For Rating U.S. Public Finance Rental Housing Bonds

Table of Contents

- OVERVIEW AND SCOPE
- Key Publication Information
- FRAMEWORK OVERVIEW
- LEGAL AND OPERATIONAL FRAMEWORK ANALYSIS
- DETAILS OF KEY CREDIT FACTORS
- Coverage And Liquidity Reserves
- Management And Governance
- Market Position
- DETERMINING THE ANCHOR
- OVERRIDING FACTORS, CAPS, AND HOLISTIC ANALYSIS
- THE USE OF OTHER APPLICABLE CRITERIA
- APPENDIX A: GLOSSARY
- CHANGES FROM PREVIOUS CRITERIA
- IMPACT ON OUTSTANDING RATINGS
- RELATED PUBLICATIONS

OVERVIEW AND SCOPE

1. These criteria outline S&P Global Ratings' methodology for rating bonds backed by rental income from residential properties that serve a public purpose in the U.S. (rental housing bonds). All terms followed by an asterisk are defined in the glossary (see Appendix A). We intend the methodology to be read in conjunction with the related guidance (see "Guidance: Methodology For Rating U.S. Public Finance Rental Housing Bonds," April 15, 2020).

2. In particular, our definition of rental housing bonds includes bonds backed by revenues from:

- Affordable multifamily housing* (including mobile home parks);
- Age-restricted independent* or assisted-living* rental housing;
- Privatized military housing*; and
- Pools* of loans secured by affordable multifamily housing.

3. The methodology does not apply to:

- Continuing care retirement communities (CCRCs) or multifacility organizations where CCRCs comprise the majority of the organization. These organizations are operating entities, and require a different approach to the project-based framework described in this methodology. They are rated based on "Senior Living" criteria, published June 18, 2007;
- Securitizations backed by multifamily properties where the provision of affordable housing is not a

primary driver of the development, which are rated under “Rating Methodology And Assumptions For U.S. And Canadian CMBS,” published Sept. 5, 2012; and

- Federally enhanced housing bonds (FEH bonds) (housing bonds where full credit enhancement from U.S. federal government agencies is available on the mortgage loans, mortgage-backed securities, or directly on the FEH bonds), which are rated under “U.S. Federally Enhanced Housing Bonds Rating Methodology” published Nov. 12, 2019.

Continue reading. (Registration required.)

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com