



# Affordable Housing is Our Business

**A self-supporting public agency, the North Carolina Housing Finance Agency leverages state and federal resources with private funds to finance \$2 billion in real estate activity annually—meeting critical housing needs and putting North Carolinians to work in communities statewide.**

The Agency is a nationally recognized leader in creating affordable housing opportunities for families, workers, seniors, veterans and people with disabilities. By employing public-private partnerships, we maximize state and federal resources with capital, ideas and know-how from hundreds of partners each year.

The Agency provides financing through the sale of tax-exempt bonds and management of federal tax credit programs, the federal HOME Program, the national and state Housing Trust Fund and other programs.

## Using these resources and its own earnings, the Agency:



Offers low-cost mortgages, down payment assistance and Mortgage Credit Certificates for qualified buyers.



Finances the rehabilitation of substandard owner-occupied homes to prevent displacement.



Finances affordable homes and apartments developed by local governments, nonprofits and private developers.



Provides foreclosure prevention counseling services through a statewide network of HUD-approved housing counseling organizations.

















Finances the development of supportive housing for North Carolinians with special housing needs.



Administers rental assistance contracts (including Section 8, the Transitions to Community Living Voucher and Key Rental Assistance).

# NORTH CAROLINA HOUSING FINANCE AGENCY INVESTMENTS

PROGRAM	TYPE	AUDIENCE	GOAL	ELIGIBLE BENEFICIARIES	FINANCIAL ASSISTANCE*
<b>Self-Help Loan Pool</b>		Participating Self-Help Housing Nonprofits (usually Habitat for Humanity affiliates)	Provides affordable mortgages.	Home buyers earning up to 80% of area median income who also contribute sweat equity to help build the home they are purchasing from a loan pool partner.	Maximum \$35,000 within an entitlement city (up to \$50,000 for home buyers residing outside of an entitlement city) participation loan combined with SHLP member financing to provide a single, interest-free amortizing loan. Maximum term: 30 years or 33 years if combined with a USDA 502 loan.
<b>Community Partners Loan Pool</b>		Participating Nonprofits and Local Governments	Provides down payment assistance.	Home buyers earning up to 80% of area median income and with a credit score of at least 640 that are purchasing a home through a loan pool member.	Interest-free, deferred subordinate mortgage up to 25% of purchase price when combined with the NC Home Advantage Mortgage™ or up to 10% when combined with a USDA Section 502 loan. Maximum loan: \$50,000. Maximum term: 30 years or 33 years if combined with a USDA 502 loan. Can be combined with other subordinate financing.
<b>NC Home Advantage Mortgage™</b>		Home Buyers	Provides affordable mortgage options and forgivable down payment assistance.	First-time and move-up home buyers (sales price and income limits apply) with a credit score of at least 640 and a conventional, FHA, USDA or VA eligible first mortgage.	30-year fixed-rate mortgages provided through participating lenders statewide; deferred, forgivable second mortgages of 3% of first mortgage amount with 15-year term.
<b>NC 1<sup>st</sup> Home Advantage Down Payment</b>		Home Buyers	Provides affordable mortgage options and forgivable down payment assistance.	First-time home buyers, including eligible veterans, (sales price and income limits apply) with a credit score of at least 640 and a conventional, FHA, USDA or VA eligible first mortgage.	Deferred second mortgages of \$15,000 with a term of up to 15 years.
<b>NC Home Advantage Tax Credit</b>		Home Buyers	Provides Mortgage Credit Certificates (MCCs) to increase mortgage affordability.	First-time home buyers and eligible veterans (sales price and income limits apply); must be approved for MCC prior to closing.	Federal tax credit (can be combined with the NC Home Advantage Mortgage™) that reduces the borrower's potential federal income tax liability by up to 30% (existing home) or 50% (new construction) of the annual mortgage interest paid by the borrower. The maximum tax credit cannot exceed \$2,000 annually.
<b>Essential Single-Family Rehabilitation Loan Pool</b>		Local Governments, Nonprofits and Regional Councils	Provides essential and critical home rehabilitation.	Homeowners earning up to 80% of area median income who are elderly, disabled and/or qualified veterans or live in homes with children under six frequently present in a home with lead hazards.	Assistance offered through local government or nonprofit partners. Provides interest-free, deferred, forgivable loans to eligible recipients; partners receive at least \$162,000 each and may use up to \$40,000 per unit for construction.
<b>Essential Single-Family Rehabilitation Loan Pool—Disaster Recovery</b>		Local Governments, Nonprofits and Regional Councils	Provides essential rehabilitations in response to damage from Hurricane Matthew and Tropical Storms Julia and Hermine.	Homeowners earning up to 100% of area median income whose homes were affected by the named storms in counties listed in the Disaster Recovery Act of 2016.	Assistance offered through local government or nonprofit partners. Provides interest-free, deferred, forgivable loans to eligible homeowners; partners receive at least \$150,000 each, with the option to apply again once funds are spent and may use up to \$40,000 per home for rehabilitation.
<b>Urgent Repair Program</b>		Local Governments, Nonprofits and Regional Councils	Provides emergency repairs and modifications to address imminent threats to health or safety.	Homeowners, including veterans, earning up to 50% of area median income who are elderly, disabled and/or have other eligible special needs.	Assistance offered through local government or nonprofit partners. Provides interest-free, deferred, forgivable loans to eligible recipients; partners receive up to \$264,000 each (if they serve two or more counties), \$132,000 each (if they serve one county or large entitlement city) and may use up to \$12,000 per homeowner.
<b>Displacement Prevention Partnership</b>		NC Division of Vocational Rehabilitation and Independent Living Offices	Provides repairs and modifications to improve home accessibility for people with mobility issues.	Homeowners with permanent disabilities, including eligible veterans, earning at or below 50% of area median income.	Assistance offered through local Independent Living Rehabilitation Services offices. Provides interest-free, deferred, forgivable loans to eligible recipients; area offices may use up to \$12,000 per homeowner.
<b>State Home Foreclosure Prevention Project</b>		Homeowners	Provides free counseling and legal services to homeowners facing foreclosure.	Homeowners who have received a 45-day pre- foreclosure notice.	N/A
<b>Housing Credits</b>		Nonprofit and For-Profit Developers	Finances development and substantial rehabilitation of affordable rental housing.	Rental developers eligible per NC's Qualified Allocation Plan to provide housing to households with incomes up to 80% of area median income; 10–20% of all rental apartments are reserved for Targeting Program**. Units remain affordable for 30 years.	Federal Low-Income Housing Tax Credit reduces investors' federal tax liability by up to 9% of eligible project costs each year for 10 years as long as the property operates in compliance with the program regulations. Maximum awards are \$1.3 million for 9% projects.
<b>Workforce Housing Loan Program</b>		Nonprofit and For-Profit Developers	Provides long-term financing for Housing Credit developers to fund construction or substantial rehabilitation of affordable rental developments.	Rental developers eligible per NC's Qualified Allocation Plan to provide housing to households with incomes up to 80% of area median income.	Interest-free, 30-year balloon loan for a percentage of development costs based on income designations for each county.
<b>Rental Production Program</b>		Nonprofit and For-Profit Developers of Tax Credit Rental Housing	Provides long-term financing for new construction, substantial rehabilitation or acquisition/ rehabilitation to 9% Housing Credit developments.	Rental developers eligible per NC's Qualified Allocation Plan to provide housing to households primarily earning less than 50% of area median income.	Amortizing or deferred loans, with interest rates of 2% or lower, of up to \$1.6 million per project with terms up to 20 years.
<b>Supportive Housing Development Program</b>		Local Governments, For-Profit and Nonprofit Organizations	Finances production of emergency, transitional and permanent supportive housing for people experiencing homelessness or with unique housing needs.	Households earning up to 50% of area median income.	Interest-free, amortizing, custom or deferred loans up to \$1.3 million in non-entitlement areas or \$1.2 million in CDBG entitlement areas***, term of 20–30 years.

**PROGRAM TYPES**



Home Ownership



Home Rehab/Repair



Foreclosure Prevention/Housing Stability



Rental Development



Supportive Housing

\* Financial assistance amounts and limits are subject to change at any time. Go to [www.HousingBuildsNC.com](http://www.HousingBuildsNC.com) for updates.  
 \*\* The NC Department of Health and Human Services partners with the Agency in administering this program and refers people with disabilities for the units.  
 \*\*\* Entitlement cities are those that qualify as entitlement areas per HUD's definition.



A self-supporting public agency.



# Research and Education

## Policy and Research

The Agency tracks housing needs and market conditions, monitors state and national housing research and policy and reports on the impact of affordable housing investments on citizens, communities and the state and local economies.

The Agency also supports the state's 5-Year Consolidated Plan, a housing and community development plan that provides details about the state's housing needs and conditions, identifies resources and establishes one- and five-year investment strategies to meet priority needs.

Learn more at [www.nchfa.com/about-us/policy-and-research](http://www.nchfa.com/about-us/policy-and-research).

## Education and Training

To ensure that partners are well-versed in our programs, the Agency offers extensive education and training opportunities:

**The Housing Tax Credit Compliance Training Program** includes Compliance 101 to teach compliance basics and Advanced Compliance to inform on more complex topics.

**The Supportive Housing Compliance Training Program** explains eligibility, maintaining compliance and maintaining the condition of the property.

**Fair Housing and Reasonable Accommodation Training** is offered for rental owners and managers and community service providers.

**Lender and real estate agent trainings** are offered statewide on the NC Home Advantage Mortgage™ and its down payment assistance products as well as on the NC Home Advantage Tax Credit. Real estate agents who take these courses earn CE credits and are listed as preferred agents on the Agency website. Participating lenders, who are approved by our Agency, are able to stay up to date on program changes with the trainings.

A 13-member **Board of Directors** oversees the NC Housing Finance Agency, which was created by the General Assembly. The Governor, the Speaker of the NC House of Representatives and the President Pro Tempore of the NC Senate each appoint four members, who in turn elect the 13th.

**The NC Housing Partnership** sets policy for the use of the NC Housing Trust Fund, created by the General Assembly in 1987. Members are appointed by the Speaker of the NC House of Representatives and the President Pro Tempore of the NC Senate. The Agency administers the Housing Trust Fund.

**The NC Affordable Housing Conference** is held each fall by the NC Housing Finance Agency in partnership with Centant Community Capital and the NC Housing Coalition. North Carolina's premier affordable housing conference, this event hosts more than 1,000 housing professionals annually.

Learn more at: [www.NCHousingConference.com](http://www.NCHousingConference.com).

More information on these classes can be found at [www.nchfa.com/events](http://www.nchfa.com/events).



J. Adam Abram, Chair  
Scott Farmer, Executive Director



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