

# Governmental & Nonprofit Affiliated Property Tax Exemptions

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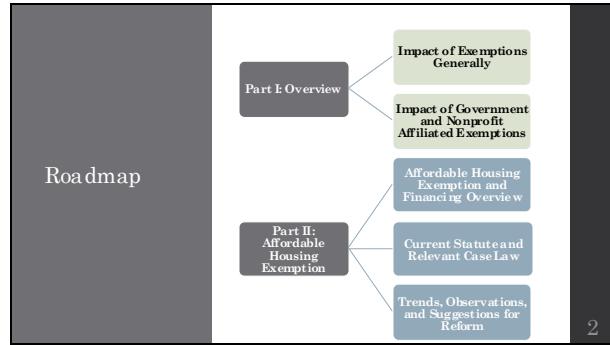
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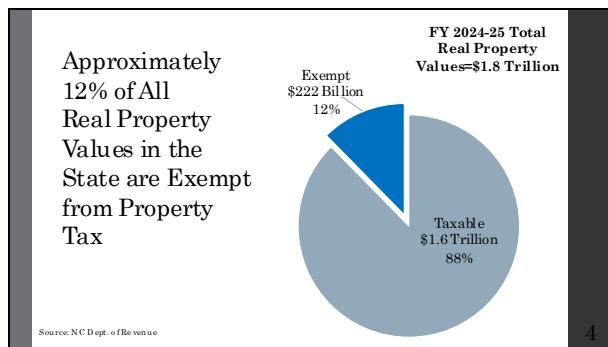
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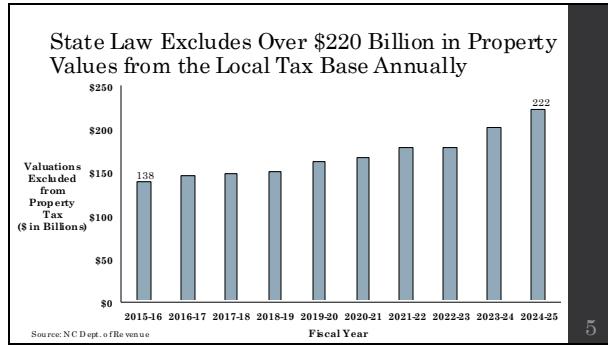
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Current State Law Provides Several Exemptions or Exclusions from Local Property Tax

|   |   |
|---|---|
| • Governmental (Federal, State, Local)                  | • Continuing Care Retirement Centers    |
| • Educational (Non-governmental)                        | • Pollution Abatement and Recycling     |
| • Religious   | • American Legion, Lodges, etc.         |
| • Charitable-Nonprofit Hospital Property                | • Medical Care Commission Bonds         |
| • Brownfield's properties                               | • Legacy Airports                       |
| • Charitable-Homes for the Aged, Sick, and Infirm       | • Solar Energy Electrical System        |
| • Charitable-Nonprofit Low- and Moderate-Income Housing | • Others not listed                     |
| • Nonprofit historic preservation                       | • <i>Homestead-Elderly and Disabled</i> |
| • Scientific, Literary, and Cultural                    | • <i>Homestead-Disabled Veterans</i>    |
| • Builder's Inventory                                   |   |
| • Burial Property                                       |   |

*Discussed at previous meeting*  
\*Does not include deferral programs (Agricultural Present-Use Value (PPV), etc.)

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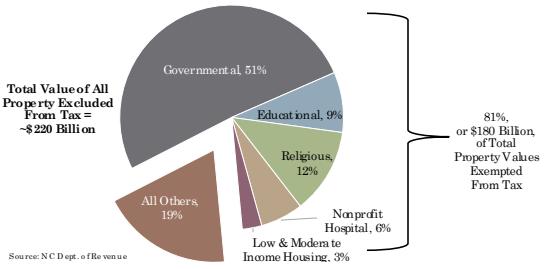
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## 5 Exemptions Account for More Than 80% of All Property Values Excluded From Tax



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## These 5 Exemptions Account for Over \$1.7 Billion in Foregone Local Revenue

All exclusions = \$2.1 Billion in foregone local revenue each year

| Property Tax Exclusion or Exemption                | Estimated Local Revenue Loss (\$) | Number of Counties with Exempt Property |
|--|-----------------------------------|---|
| Governmental                                       | \$1.1B                            | 100                                     |
| Religious  | \$255M                            | 100                                     |
| Educational (not governmental)                     | \$180M                            | 89                                      |
| Nonprofit Hospital Property                        | \$130M                            | 75                                      |
| Charitable-Nonprofit Low & Moderate Income Housing | \$60M                             | 82                                      |
| <b>Total of these 5 Exclusions or Exemptions</b>   | <b>\$1.7B</b>                     | -                                       |

Source: NC Dept. of Revenue

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## Governmental Property

|   |  |
|---|--|
| Legal Authority                         | NC Constitution-Art. V, Sec 2(3) G.S. 105-278.1  |
| Examples                                | Fort Bragg, post offices, county courthouses, LOB, State Capitol, Municipal Fire Station |
| Total Property Values Excluded          | \$113 Billion  |
| Total Estimated Local Revenue Loss      | \$1.1 Billion  |
| Top 5 Counties in Per Capita Valuations | Hyde, Craven, Dare, Carteret, Swain  |

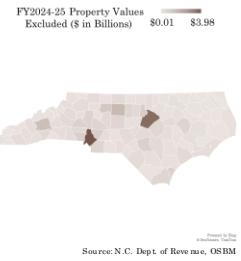
FY2024-25 Property Values Excluded (\$ in Billions)

Source: N.C. Dept. of Revenue, OSBM

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## Religious Property

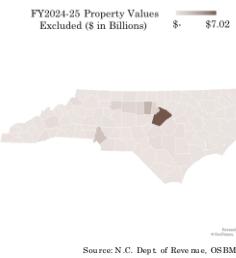
|   |  |
|---|--|
| Legal Authority                         | G.S. 105-278.3                                 |
| Examples                                | Church buildings<br>Fellowship Halls           |
| Total Property Values Excluded          | \$28 Billion                                   |
| Total Estimated Local Revenue Loss      | \$255 Million                                  |
| Top 5 Counties in Per Capita Valuations | Macon, Chowan, Transylvania, Mitchell, Sampson |



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## Educational Property (nongovernmental)

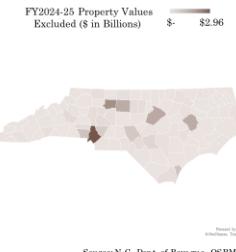
|   |   |
|---|---|
| Legal Authority                         | G.S. 105-278.4  |
| Examples                                | Private college/university buildings and land (e.g., Campbell, Catawba, Shaw, Wake Forest, Duke, nonprofit private schools) |
| Total Property Values Excluded          | \$19 Billion  |
| Total Estimated Local Revenue Loss      | \$180 Million   |
| Top 5 Counties in Per Capita Valuations | Orange, Watauga, Wake, Transylvania, Avery  |



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## Nonprofit Hospitals

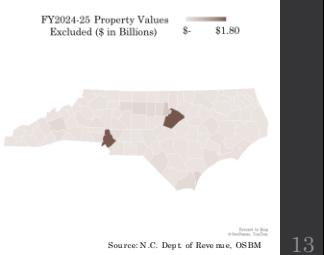
|   |   |
|---|---|
| Legal Authority                         | G.S. 105-278.8  |
| Examples                                | Atrium Health Carolina's Medical, Atrium Health Wake Forest Baptist, FirstHealth Moore Regional, Carolinas General Hospital |
| Total Property Values Excluded          | \$14 Billion  |
| Total Estimated Local Revenue Loss      | \$130 Million   |
| Top 5 Counties in Per Capita Valuations | Pitt, Moore, Forsyth, Hoke, Gaston  |



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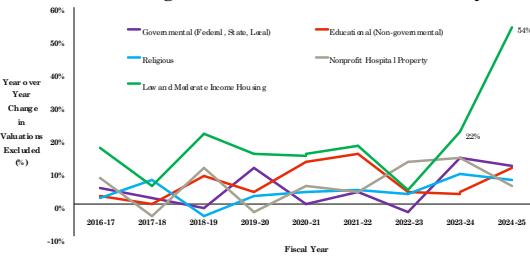
## Nonprofit Low- and Moderate-Income Housing

|   |  |
|---|--|
| Legal Authority                         | G.S. 105-278.6(8)                                |
| Examples                                | N.C. low-income housing apartment development    |
| Total Property Values Excluded          | \$6.3 Billion                                    |
| Total Estimated Local Revenue Loss      | \$60 Million                                     |
| Top 5 Counties in Per Capita Valuations | Wake, Mecklenburg, Durham, New Hanover, Guilford |



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## Sizable Increase in Nonprofit Low- and Moderate-Income Housing Exclusion Valuations Recently



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## Part II: Nonprofit Affordable Housing Exemption

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# Affordable Housing & Financing Overview

Scott Farmer  
Executive Director  
Housing Finance Agency

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## Our Mission

*To provide safe, affordable housing opportunities to enhance the quality of life of North Carolinians.*



### What is Affordable Housing?

Affordable housing can refer to anything from apartments for seniors on a fixed income to a five-bedroom single-family home.

- HUD defines "housing affordability" as a household paying no more than 30% of their income for housing.
- Households spending more than 30% of their income are considered housing "cost burdened".
- Most federal and public resources target 80% Area Median Income (AMI) and below.
- Generally, **Affordable Housing** is housing affordable to households earning 80% of the Area Median Income or less.



*Pine Ridge, Garner*



[HousingBuildsNC.com](http://HousingBuildsNC.com)



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### Federal Low Income Housing Tax Credit (LIHTC)



*Springfield Park, Jacksonville*



[HousingBuildsNC.com](http://HousingBuildsNC.com)

- Federal tax credit that provides a tax incentive to construct or rehabilitate affordable rental housing to eligible development entities under the state's Qualified Allocation Plan (QAP)
- Section 42 of the Internal Revenue Code
- LIHTC accounts for 98% of all affordable rental housing development in the United States
- Created by 1986 federal Tax Reform legislation, strengthened in the 2017 Tax Cuts and Jobs Act, expanded and strengthened again in the 2025 Omnibus (OBBA)
- Operated independently by each state and U.S. territory's allocating agency (HFA)



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*Ferrill, Conover*



[HousingBuildsNC.com](http://HousingBuildsNC.com)

- Developments are privately owned and privately managed
- Sponsors compete for a LIHTC award based on the rules prescribed in the state's Qualified Allocation Plan (QAP)
- Development sponsors can be for-profit or non-profit entities (federal law requires a minimum 10% non-profit participation of total allocation)



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## How Does LIHTC Create Affordability?

- Proposals from development sponsors receiving LIHTC sell the credits to an investor to generate equity, thus reducing the debt payments on the property
- The Investor becomes the majority owner for 15 years (as prescribed by the IRS) to claim the federal tax credit over a 10 year period
- In exchange, the owners agree to keep rents affordable for households making 80% Area Median Income or below for the next 30 years



Valley River, Murphy

**NORTH CAROLINA HOUSING FINANCE AGENCY**  
[HousingBuildsNC.com](http://HousingBuildsNC.com)



*Riverstone Crossing, Kriston*

## Ensuring Affordability

- NCHFA records a deed restriction called a Land Use Restriction Agreement (LURA) that specifically states the terms of affordability for the property
- The LURA provides a legal instrument for any interested party to enforce the terms of affordability
- The IRS may recapture the tax benefit if the property is out of compliance within the first 15 years
- NCHFA monitors the property for compliance for 30 years, as well as the investor and any other funders

# Current Law & Blue Ridge Housing Case

Trina Griffin  
Legislative Analysis  
Division

## Charitable Purpose Exemption

### G.S. 105-278.6

Real and personal property owned by:

- (1) A Young Men's Christian Association or similar organization;
- (2) A home for the aged, sick, or infirm;
- (3) An orphanage or similar home;
- (4) A Society for the Prevention of Cruelty to Animals;
- (5) A reformatory or correctional institution;
- (6) A monastery, convent, or nunnery;
- (7) A nonprofit, life-saving, first aid, or rescue squad organization;
- (8) A nonprofit organization providing housing for individuals or families with low or moderate incomes.

shall be exempted from taxation if (i) as to real property, it is actually and exclusively occupied and used, and as to personal property, it is entirely and completely used by the owner for charitable purposes; and (ii) the owner is not organized or operated for profit.

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## Two Requirements



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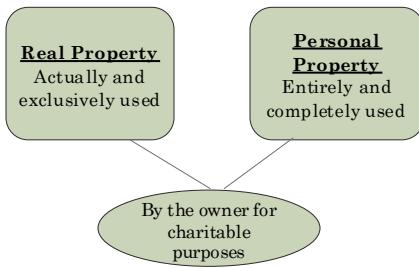


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## Use Requirement



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Use “Exceptions”

**Future Use**  
A nonprofit may hold property for up to 10 years as a future site for low-income housing, with taxes being deferred and lien on property.

**Partial Exemption Permitted**  
The portion of the property that qualifies shall be exempted even if the entire property does not.

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**Charitable Purpose**

One that has humane and philanthropic objectives; an activity that benefits humanity or a significant, rather than limited, segment of the community without expectation of pecuniary profit or reward.

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**Ownership Requirement**

- Statute does not define.
- States only that owner “is not organized or operated for profit.”
- What percentage of ownership is sufficient?
- Must it be 100% or are there situations where less than 100% is appropriate?

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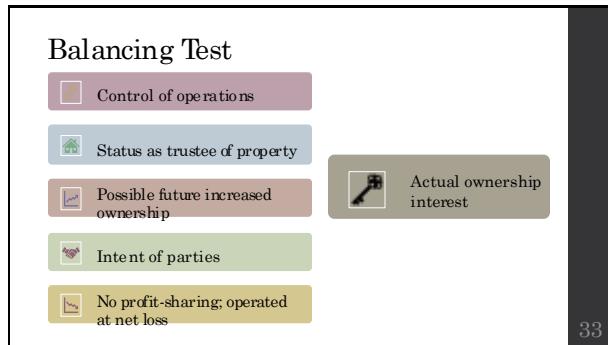
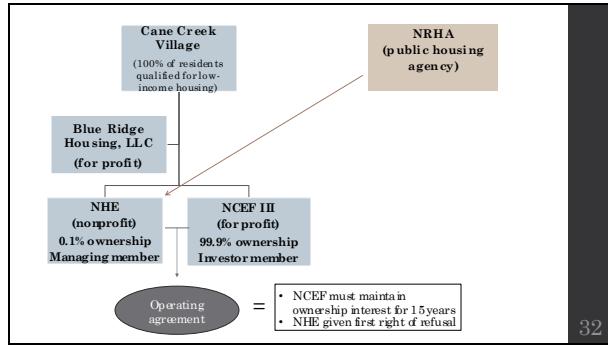
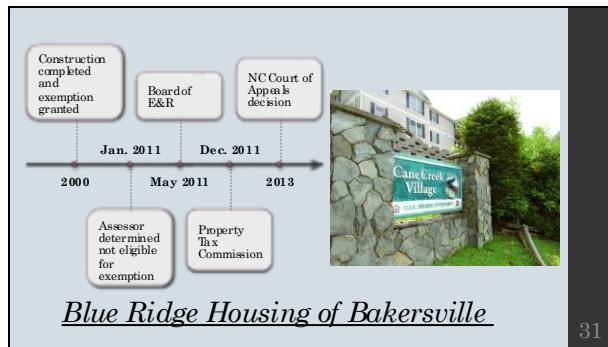
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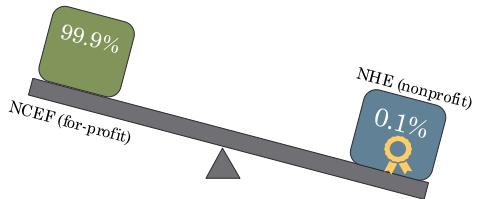


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## Outcome

The Court applied this test and concluded that the nonprofit, NHE, owned the property for tax purposes, despite the fact that it only owned 0.1% of the corporation that held legal title to the property.



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## The Takeaway...See Footnote

"Since the instant case clarifies the definition of "ownership" for tax exemption purposes, County Boards shall now apply G.S. 105-278.6(a)(8) accordingly when determining exemptions for Cane Creek Village or other similarly situated properties."



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## Right Result, But Problematic



- Observers tend to agree that this was a reasonable and desirable result given the fact pattern:
  - The nonprofit initiated development of the project and only partnered with the for-profit for financing.
  - The nonprofit did in fact manage operations and had a long-term ownership interest consistent with its affordable housing mission.
  - The .1%/99.9% ownership structure is standard under the LIHTC framework.
  - LIHTC framework ensures long-term governmental oversight by IRS and state housing agencies.
- However, a broad interpretation of the case, a lack of statutory guidance, and administrability issues could result in self-dealing, unanticipated local revenue loss, and lack of long-term affordable housing.

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## Issues

- No definition of ownership.
- No definition of “low or moderate income.”
- No length of ownership or deed restriction requirements.
- No regular verification (G.S. 105-278.6 exemption is a “single application”).
- No minimum for partial exemption (i.e., minimum number of units required to meet affordability standard).
- Not tied to participation in federal LIHTC program or other governmental oversight.
- Administratively difficult for tax administrators to apply judicial test.
- Potential for lack of uniformity/standardization among counties.

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## Trends, Observations, & Suggestions for Reform

David Baker, Director  
of Tax and Revenue  
Outreach, NCACC

Ben Justus, Executive  
Staff, Self-Help  
Credit Union

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## Nonprofit Low- and Moderate- Income Housing Exemption County Perspective

David B. Baker, Director of Tax and Finance Outreach

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## 2025 Forgone County Revenue



- Forgone revenue in all 100 counties totals over \$53 million
  - Does not include special district or municipal taxes
- Over 96% of properties are located in a municipality
- Total forgone revenue for all local governments is between \$80-100 million

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## Sample of Forgone County Revenue



| County     | 2025 Forgone Revenue |
|------------|----------------------|
| Alamance   | \$9,66,690           |
| Brunswick  | \$4,35,556           |
| Davidson   | \$2,30,311           |
| Forsyth    | \$8,54,190           |
| Guilford   | \$2,205,917          |
| Jackson    | \$3,5,318            |
| Madison    | \$6,3,807            |
| Moore      | \$8,3,470            |
| Rockingham | \$6,1,650            |
| Union      | \$1,50,654           |
| Wake       | \$13,489,935         |
| Wayne      | \$1,02,846           |
| Total      | \$18,680,344         |

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## Sample of Properties Exempted



| County     | 2021 | 2025 |
|------------|------|------|
| Alamance   | 0    | 7    |
| Brunswick  | 20   | 27   |
| Davidson   | 50   | 60   |
| Forsyth    | 1    | 4    |
| Guilford   | 166  | 186  |
| Jackson    | 10   | 15   |
| Madison    | 19   | 22   |
| Moore      | 16   | 26   |
| Rockingham | 22   | 25   |
| Union      | 4    | 17   |
| Wake       | 69   | 137  |
| Wayne      | 0    | 3    |

Increase in number of exemptions between 2021 and 2025

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**Blue Ridge Housing Exemptions**



**Sample of Properties Exempted Under Blue Ridge Housing Case**

| County   | Number of Properties | Exempted Value | 2025 Foregone County Revenue |
|----------|----------------------|----------------|------------------------------|
| Alamance | 7                    | \$112,729,488  | \$56,884                     |
| Moore    | 4                    | \$13,892,390   | \$35,981                     |
| Stanly   | 3                    | \$7,448,939    | \$37,990                     |
| Wayne    | 3                    | \$16,431,660   | \$102,846                    |

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**Blue Ridge Housing Exemptions**



**Wake County Properties Exempted Under Blue Ridge Housing Case**

| Year | Exempted Value  | Foregone County Revenue |
|------|-----------------|-------------------------|
| 2021 | \$289,993,674   | \$1,739,962             |
| 2025 | \$2,204,668,044 | \$11,400,338            |

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**Blue Ridge Housing Exemptions**



**12 Properties Pending Appeal in Forsyth County**

| Potential Exempted Value | Potential Foregone County Revenue |
|--------------------------|-----------------------------------|
| \$195,585,800            | \$1,047,310                       |

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## Policy Considerations



- Define ownership
- Define low- and moderate-income
- Review exemption amount, currently 100% (Homestead exclusion is 50%)
- Require annual application process that requires reporting number of low-income units
- Determine relationship between the benefit provided to people and amount of property tax relief

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## Thank You! / Questions?

David B. Baker  
[david.baker@ncacc.org](mailto:david.baker@ncacc.org)

For more information about the North Carolina Association of County Commissioners (NCACC), visit [ncacc.org](http://ncacc.org).

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## North Carolina Property Tax Exemption for Affordable Housing

House Select Committee on Property Tax Reduction and Reform  
*January 14, 2026*

Opportunity & Economic Opportunity for All 48

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## WHO WE ARE

- The Self-Help organization is an umbrella of nonprofits that includes two credit unions, a community development investment fund and a research and policy group
- Together the entities manage over \$5B in assets and operate in 10 states
- Our core mission is to create and protect economic opportunity for all
- When it comes to affordable housing we are a lender, developer, and preserver of affordable rental housing across the country



The diagram illustrates the Self-Help organization's structure. At the center is the 'Center for Community Self-Help'. Surrounding it are four interconnected entities: 'Self-Help Credit Union' (yellow circles), 'Self-Help Federal Credit Union' (red circles), 'Self-Help Ventures Fund' (blue circles), and 'Center for Responsible Lending' (yellow and red circles). The text 'Our mission: Economic opportunity for All' is at the bottom.

## NORTH CAROLINA BASED

- Founded in 1980, Self-Help is headquartered in Durham and has credit union branches, staff, investments, and offices throughout the state
- We focus on serving rural and working class families, providing them access to capital to become homeowners, start a business, or buy a car
- Particular to affordable rental housing, we have launched or are in the process of forming Affordable Housing Loan Funds in Western North Carolina, Winston-Salem, Greensboro, High Point, Durham, Wake County and Chapel Hill



A map of North Carolina showing the locations of Self-Help Credit Union branches. Labeled cities include Old Fort, Winston-Salem, Greensboro, Durham, Raleigh, Winston, Winston-Salem, High Point, Durham, Chapel Hill, Kinston, Morehead City, Greenville, Morehead City, and Wilson. A legend indicates that each dot represents a branch.



Key data points for Self-Help in North Carolina:
 

- 423 Self-Help Staff in North Carolina
- \$3,900,000,000 Loan Portfolio Made to NC Residents
- 62,270 Self-Help Credit Union Members in North Carolina
- 24 Self-Help Credit Union Branches in NC

## STATE OF AFFORDABLE RENTAL HOUSING IN NC

|  |   |   |
|--|---|---|
| 24%<br>RENTER HOUSEHOLDS<br>SEVERELY COST-BURDENED | 46%<br>RENTER HOUSEHOLDS<br>COST-BURDENED | 196k<br>DEFICIT<br>OF AFFORDABLE<br>RENTAL HOUSING<br>UNITS |
|--|---|---|

Share of Renters Living in Unaffordable Housing By County



A choropleth map of North Carolina counties, color-coded to represent the percentage of renters living in unaffordable housing. The legend indicates the following ranges:
 

- < 10% (light blue)
- 10%–20% (medium blue)
- 20%–30% (dark blue)
- 30%–40% (blue)
- > 40% (dark blue)

Source: National Low Income Housing Council's Annual Report on the State of the Nation's Housing in North Carolina Data: 2017 NC Statewide Household Survey

Note: The self-help definition of severe cost burden is less than 50% of area median income. The NC definition of severely cost burdened is less than 30% of area median income. The NC definition of cost burdened is less than 50% of area median income.

Mirroring the national affordable housing crisis, North Carolina also faces a significant deficit of affordable housing units as rent growth has outpaced income growth over the past couple of decades.

Largest nominal deficits of affordable rental units are in urban areas, but affordability issues plague the entire state.

**NCGS § 105-278.6(A)(8) & BLUE RIDGE**



- For 50 years, North Carolina has supported charitable development and ownership of affordable housing by exempting from property tax low- and moderate-income housing owned by nonprofits.
- In 2013, *In Re Blue Ridge Housing of Bakersville LLC*, the N.C. Court of Appeals recognized that many affordable projects involve partnerships between nonprofits and investors and looked beyond actual ownership to other factors indicative of ownership in allowing tax exemption for a project where a passive for-profit investor contributed capital in exchange for federal Low Income Housing Tax Credits ("LIHTC").
- Subsequently the *Blue Ridge* decision has been cited to justify exemption for projects where for-profit developers' participation expands beyond tax credit investment and allows more for-profit control of operations and private benefit.
- N.C. law currently does not clearly define situations where for-profit involvement is appropriate and where it only serves to benefit private equity to the detriment of counties and taxpayers.

Onwardship & Economic Opportunity for All | 5.2

**PROBLEMS WE ARE SEEING**



- Proliferation of for-profit/nonprofit joint-ventures (JVs) in "rent-a-nonprofit" structures that are seemingly abusing the spirit of the statute
- Marketing of property tax abatement by lawyers/brokers that is encouraging pursuit of this structure, particularly for Naturally Occurring Affordable Housing ("NOAH")
- Dramatic increase in property tax exemption applications
- Difficulties for county tax administrators
- County revenue implications that could lead to higher property taxes for others
- In short, the possibility of public funds being used for private interests that provide no public benefit



Onwardship & Economic Opportunity for All | 5.3

**CASE STUDY OF POTENTIAL ABUSE**



- Example property is Hamilton Ridge Apartments in North Raleigh – approximately 7 miles from here
- 178 units built in 1987 with 50% one bedrooms and 50% two bedrooms
- Current rents are at ~52% AMI; well below the 80% AMI rent-level





|            | Current Rent | 80% AMI Rent | Difference |
|------------|--------------|--------------|------------|
| 1 Bedrooms | \$1,167      | \$1,880      | \$713      |
| 2 Bedrooms | \$1,457      | \$2,250      | \$793      |
| Overall    | \$1,310      | \$2,078      | \$768      |

Source: Cahan, 10.23 AMI Rent Analysis  
Note: 80% AMI Rent is only for 50% of units and includes utility allowances so calculated rents were assumed to \$11,670.41-\$13,800 and \$2,250, respectively. This reflects at least one rental unit per unit of the overall 178-unit property.

Onwardship & Economic Opportunity for All | 5.4

## CASE STUDY OF POTENTIAL ABUSE (CONT'D)

**Self-Help**

- Case study illustrates three scenarios where all three groups purchase the property for the same price with the same mortgage:
  - 1) 100% Nonprofit:** Nonprofit purchases the property, preserves rents as-is, and receives property tax exemption.
  - 2) 100% For-Profit:** For-profit purchases property, renovates, raises rents and does not receive property tax exemption.
  - 3) JV With Exemption:** For-profit uses "rent-a-nonprofit" joint-venture structure, renovates, raises rents and receives property tax exemption.

In scenario 3, public funds are allocated without public benefit and solely increase private returns

Note: The 178 units are purchased by three groups for \$150,000 each using the same mortgage (5.5% I.C. 5.5% interest rate) For-profit JV receives a return of \$1.90 per unit (compared to 12.1% monthly).

|                           | 100% Nonprofit | 100% For-Profit | JV With Exemption |         |             |         |
|---------------------------|----------------|-----------------|-------------------|---------|-------------|---------|
| Total                     | Per Unit       | Total           | Per Unit          | Total   | Per Unit    |         |
| <b>MONTHLY RENT</b>       |                |                 |                   |         |             |         |
| Current Rent Monthly      | 233,246        | 1,310           | 233,246           | 1,310   | 233,246     | 1,310   |
| Pro Forma Rent Monthly    | 233,246        | 1,310           | 264,396           | 1,485   | 264,396     | 1,485   |
| 80% AMI Rent Monthly      | 369,872        | 2,078           | 369,872           | 2,078   | 369,872     | 2,078   |
| <b>ANNUAL CASH FLOW</b>   |                |                 |                   |         |             |         |
| Pro Forma Rent            | 2,798,952      | 15,724          | 3,172,752         | 17,824  | 3,172,752   | 17,824  |
| Other Income              | 195,927        | 1,101           | 222,093           | 1,248   | 222,093     | 1,248   |
| Vacancy                   | (139,948)      | (786)           | (158,638)         | (891)   | (158,638)   | (891)   |
| Total Income              | 2,854,931      | 16,039          | 3,236,207         | 18,181  | 3,236,207   | 18,181  |
| Operating Expenses        | (1,068,000)    | 6,200           | (1,068,000)       | 6,000   | (1,068,000) | 6,000   |
| Property Taxes            | (284,254)      | 1,597           | (284,254)         | 1,597   | (284,254)   | 1,597   |
| Operating Income          | 1,786,931      | 10,039          | 1,883,951         | 10,584  | 1,883,951   | 10,584  |
| Debt Service              | (1,313,529)    | (7,379)         | (1,313,529)       | (7,379) | (1,313,529) | (7,379) |
| Cash Flow                 | 473,402        | 2,660           | 576,422           | 3,205   | 854,678     | 4,802   |
| <b>ANNUALIZED RETURNS</b> |                |                 |                   |         |             |         |
| Operating Return          | 4.6%           | 4.4%            | 6.6%              |         |             |         |
| Appreciation Return       | 1.5%           | 11.5%           | 20.1%             |         |             |         |
| <b>Total Return</b>       | <b>6.1%</b>    | <b>15.5%</b>    | <b>26.7%</b>      |         |             |         |

## SCALE OF ISSUE IF IT GROWS

**Self-Help**

|                                   | Wake    | Cabarrus | Catawba |
|-----------------------------------|---------|----------|---------|
| Monthly Units                     | 165,843 | 14,764   | 9,521   |
| Percentage Below 80% AMI          | 94%     | 92%      | 40%     |
| Below 80% AMI Rent Taxes Per Unit | 156,050 | 13,670   | 3,835   |
| 80% Tax Revenue (\$MM)            | 244.0   | 15.2     | 2.5     |
| 80% AMI Rent                      | 2,157   | 1,822    | 1,218   |

State: Color: 1,122,561 Non-Housing  
Note: AMI Rent is only a fraction of units in districts. Utilize a conservative calculation rate were assumed the units in and 80% AMI Rent is 40% of 80% AMI Rent.

**Wake County** **Cabarrus County** **Catawba County**

Scatter plots showing the relationship between Monthly Average Rent Per Unit and Above 80% AMI Rent for Wake, Cabarrus, and Catawba counties. The plots are color-coded by county: Wake (red), Cabarrus (yellow), and Catawba (blue). Each plot includes a red dashed box highlighting the 94%, 92%, and 40% below 80% AMI rent thresholds respectively.

Source: Color: 1,122,561 Non-Housing  
Note: AMI Rent is only a fraction of units in districts. Utilize a conservative calculation rate were assumed the units in and 80% AMI Rent is 40% of 80% AMI Rent.

## POTENTIAL SOLUTION

**Self-Help**

Property tax exemption for affordable housing is critical to efforts to alleviate the affordable housing crisis in our state, but the current statute is too vague and open to abuse that deviates from the original spirit of the law. We have the opportunity to preserve and clarify the statute before the problem further escalates and to ensure that public funds are used for public benefit.

- What Should a Solution Accomplish?**
  - Return to original intent of state and Blue Ridge
  - Stop abuse from use of "rent-a-nonprofits"
  - Prevent property tax increases
  - Ease burden on County Tax Administrators
- What Could a Solution Be?**
  - Clarify the statute so that the following properties would qualify for exemption
    - 100% nonprofit-owned and operated as affordable housing
    - Operated as affordable housing with ALL of the following:
      - Federal/state/local government financial support and ongoing compliance monitoring (e.g. LIHTC)
      - Long-term affordability restrictions
      - Nonprofit general partner with control and long-term ownership option

Source: Color: 1,122,561 Non-Housing  
Note: AMI Rent is only a fraction of units in districts. Utilize a conservative calculation rate were assumed the units in and 80% AMI Rent is 40% of 80% AMI Rent.