

LIHTC

Low Income
Housing Tax
Credit



Investing in Your Community, in Your Neighborhood, in Your Future

New LIHTC Development Helping Housing Demand in Pittsboro



Belmont Pointe Apartments, a new construction community located in Pittsboro, NC, has 76 LIHTC units that serve families earning 60 percent or less of the Area Median Income.

BY THE NUMBERS

New Construction: 76 units
Private Equity Investment: \$6,749,325

During Construction
Local Jobs Supported: 93
Local Government Revenue: \$628,368

Projected Ongoing Annual Effect
Local Jobs Supported: 23
Local Government Revenue: \$335,160

Pittsboro, North Carolina, is a friendly, picturesque small town located in the heart of Chatham County. From the charming downtown shops and restaurants to the abundance of nearby recreational opportunities, residents take great pride in calling Pittsboro home. Combine all of these things with a fantastic location – Chapel Hill is only 15 miles north – and it is no surprise that the town has seen significant growth over the last decade. This population increase, which is expected to continue in the coming years, means the demand for affordable housing is also on the rise. The construction of Belmont Pointe is helping meet this growing need.

Belmont Pointe is a 76-unit new construction development serving families earning between 30 percent and 60 percent of the Area Median Income. Developed by Solstice Partners, LLC, this community is comprised of four two-story buildings that offer residents both one-, two-, and three-bedroom options. The development also features numerous amenities for residents. In addition to their spacious apartments, families living at Belmont Pointe also have access to a community building, computer center, playground, gazebo, and a picnic area.

The need for more affordable housing in Pittsboro was evident – all comparable properties in the area were fully occupied and all but one had a waiting list. Additionally, no comparable properties offer three-bedroom units, something many young, growing families need. In addition to the basic demand for this type of housing, the location of Belmont Pointe also proves ideal. Belmont Pointe is located in a mixed-use, master-planned development where residents will enjoy access to numerous employment and retail opportunities. In addition, townhomes and single-family homes will also be built at a later date within the community, making this housing even more desirable.

Pittsboro is an appealing town in an ideal location within North Carolina. This, paired with population growth and the established need for more affordable housing, made the building of Belmont Pointe a necessity. Now, just a few short months after the completion of construction, this development has proven to be a successful addition to the community – all of the units are fully occupied with residents happy to call Belmont Pointe home.



The community was built to include several aesthetically pleasing features, including the gorgeous brick accents pictured here.



The units include Energy Star appliances to help residents save on utility costs.

The Need for Affordable Housing Is Critical

Housing Landscape 2015 from the Center for Housing Policy reveals that in 2013, one in four working renter households spent more than half of their income on housing each month. Even though the median income of working renters increased 6.7 percent from 2010 to 2013, rents increased 4.9 percent during that time period, leading to only slight improvements in housing affordability. As discussions regarding tax reform continue, it will be important to remember the LIHTC program's excellent track record and its essential role in developing and preserving affordable housing.

What Is the LIHTC?

Created by Congress as part of the Tax Reform Act of 1986, the Low Income Housing Tax Credit (LIHTC) generates private capital investment used to finance the construction and rehabilitation of affordable rental housing for households earning 60% or less of the area median income. According to the Joint Center for Housing Studies at Harvard University, the housing tax credit is "widely regarded as the most successful housing production and preservation program in the nation's history." Since it was enacted, the LIHTC program has led to the development of more than 2.7 million units of affordable housing.

In addition to providing safe, decent, and affordable housing for working-class families and seniors on limited incomes, the economic impact of the LIHTC program is visible in communities throughout the country. The development of affordable housing increases spending and employment in the local economy. The National Association of Home Builders estimates that for every 100 units constructed with low-income housing tax credits, 116 jobs are created and more than \$3.3 million in federal, state, and local revenue is generated. Moreover, affordable housing can affect an employer's ability to attract and retain employees. LIHTC investment plays a significant role in community revitalization, which in turn can improve economic opportunities for local residents.

Who Is CAHEC?

One of the nation's leading nonprofit equity syndicators, CAHEC helps finance the development of attractive and affordable rental housing. Headquartered in Raleigh, N.C., CAHEC works with investors and developers in eleven states and the District of Columbia to raise and invest capital in affordable housing, historic preservation, and mixed-use community revitalization projects. Since its founding in 1992, CAHEC has raised and committed more than \$1.8 billion toward the development of more than 24,000 units of affordable housing.

How Tax Credits Flow



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