Introduction

The LIHTC Program, which is based on Section 42 of the Internal Revenue Code, was enacted by Congress in 1986 to provide the private market with an incentive to invest in affordable rental housing. Federal housing tax credits are awarded to developers of qualified projects. Developers then sell these credits to investors to raise capital (or equity) for their projects, which reduces the debt that the developer would otherwise have to borrow. Because the debt is lower, a tax credit property can in turn offer lower, more affordable rents. Provided the property maintains compliance with the program requirements, investors receive a dollar-for-dollar credit against their Federal tax liability each year over a period of 10 years. The amount of the annual credit is based on the amount invested in the affordable housing. (From HUD.gov, LIHTC Basics)

Articles & Books in the LibraryLink Catalog
(Log in to LibraryLink to download the full text or to request from the library)


Appraising the assets of low-income housing tax credit properties, by George E. Jordan. The Appraisal Journal, January 1999, 67 (1), 41-46.


Income/Expense analysis: Federally assisted apartments. Chicago: Institute of Real Estate Management (IREM), 2011.


Square peg, round hole: The difficulty in valuing Section 42 low income housing tax credit properties for ad valorem tax purposes, by Wayne A. Tenenbaum. *Fair & Equitable*, May 2003, 1 (5), 10-13.


Valuation of property financed with no- and low-cost capital, by Gaylord A. Wood, Jr. Presentation at the IAAO Special Topics Seminar, June 2009, 18 pages.


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**Online Reports & Articles**

Compilation of basic laws on housing and community development within the jurisdiction of the Committee on Financial Services, by the United States House of Representatives, March 2003.

Documents & Websites on affordable housing & the relationship to property values, by California Department of Housing & Community Development, Dec. 2003. A good source for studies back to the mid-1990s.

Economic impact of the housing tax credit program in New Hampshire: Income, jobs, and tax generated, by the National Association of Home Builders, Housing Policy Department, October 2011.

LIHTC basics, by the United States Department of Housing and Urban Development, June 8, 2010.

Low income housing tax credit housing developments and property values, by the University of Wisconsin Center for Urban Land Economics Research, June 14, 2002.

Low income housing tax credit (LIHTC) overview, YouTube video by Novogradac Certified Public Accountants, April 1, 2010 (7 minutes).

Low income housing tax credits: Affordable housing investment opportunities for Banks, by the U.S. Department of the Treasury, February 2008.

New Orleans affordable housing case study by the National Association of Realtors and the University of New Orleans, September 9, 2002.


A study of the relationship between affordable family rental housing and home values in the Twin Cities, by the Family Housing Fund of Minneapolis, Minnesota, September 2000.

Understanding the dynamics V: Housing tax credit investment performance, by Ernst & Young LLP, Cleveland, OH, 2010.


Valuation of federally subsidized housing: Ten questions for the property tax, by Joan Youngman. Cambridge: Lincoln Institute of Land Policy, 2011. Also see Appendix.
What happens to LIHTC properties after affordability requirements expire? By the United States Department of Housing and Urban Development, August 2012.

Websites

Affordable Housing Ordinances/Flexible Provisions by Municipal Research and Services Center of Washington, December 2010. The website provides a list of ordinances from local municipalities that have adopted codes to increase the affordable housing supply. The site has 64 links, separated into 10 categories, that provide examples of housing incentives and methods of reducing regulatory barriers to housing development. The categories include inclusionary housing, density bonuses, fee waivers, tax exemptions, preapproved plans for streamlined approval, regulatory barriers, rehabilitation, and maintenance.

Affordable Housing Resource Center by Novogradac Certified Public Accountants. This site includes court rulings on property tax assessment cases, and current state tax credit information for all states included estimated available credits and credit periods. And a listing of local state tax credit allocating agencies.

California Public Housing Coalition’s Mapping Tool, March 2011. This resource allows users to map California’s affordable housing subsidized through the Dept. of Housing and Urban Development (HUD), the US Dept. of Agriculture (USDA), the Low-Income Housing Tax Credit (LIHTC), and Public Housing. This resource brings together property-level information with useful data on poverty, renter cost burdens, and distance to mass transit, making it useful for housing advocates in California.

Field Guide to Effects of Low-Income Housing on Property Values by the National Association of Realtors, March 2011. A bibliography of articles, videos, online reports, and web sites that address the effect of LIHTC properties on surrounding property values.

LIHTC HUD User Database This system allows selective access to data from HUD's Low Income Housing Tax Credit Database and includes project address, number of units and low-income units, number of bedrooms, year the tax credit was allocated, year the project was placed in service, type of tax credit provided, and other sources of project financing. Data is geocoded and output is in either easy-to-read HTML tables, or a comma-delimited text file suitable for further analysis with spreadsheet, database, or statistical software.

Public Housing Authorities Directors Association- includes a listing of local housing authorities by state and web site links for state housing agencies.

Regulatory Barriers Clearinghouse Database by the United States Department of Housing and Urban Development. This site provides information on affordable housing state and local regulatory barriers and possible solutions to those barriers. Select ‘Tax Policy’ under topics to search state web sites, reports, articles, and ordinances/statutes.
Unique Building Identifier Data Set by HUD. This data set is in Excel spreadsheet format and includes identifiers for multifamily units with LIHTC by address. The file will be updated periodically. Released May 2012.

Valuation of Affordable Housing Properties, by the State of Maine, Bureau of Revenue Services, 2007. Reviews the factors that should be considered by municipal assessors when determining the just value of property acquired, rehabilitated or constructed pursuant to federal laws related to affordable housing for low-income persons and reports the results of its review.