

WHAT IS TAX CREDIT HOUSING?

Tax credit housing creates quality homes for those earning the median income or less.

Residents in tax credit housing do not receive a government subsidy for their rent like they do with Section 8 Housing. Instead, tax credit properties have a set maximum rent and a set maximum income for residents who live there. These limits can help people with moderate means live close to where they work.

CommonBond is able to charge these lower rents and still maintain quality housing through the tax credit program. When building or rehabbing tax credit apartments and townhomes, CommonBond is awarded tax credits from the government. CommonBond Communities can then offer these credits as an incentive for investors to provide capital for the housing project. Investors want the tax credits because they lessen their tax burden, which means that for every dollar they invest in affordable housing they receive a dollar reduction in their owed taxes.

The investor's capital then allows CommonBond to pay down debt and thus pay reduced monthly mortgages. The reduced mortgage payments lower the operating costs of the building, so CommonBond can charge lower rents and still operate clean, safe and quality buildings.

Because income guidelines are broader, waiting lists tend to be shorter for tax credit housing than for Section 8 housing, and tax credit units are more likely to be immediately available to rent. CommonBond offer a mixture of tax credit, Section 8 and market rate apartment and townhomes.

Income Limits for The Commerce Building:

	1 Person	2 People	3 People	4 People
60% of AMI	33,960	38,820	43,680	48,540
50% of AMI	28,300	32,350		

CommonBond
COMMUNITIES



We Build Homes, Hope and Community

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