



## Oregon Affordable Housing Tax Credit Program

(Program Factsheet)

**Tax Credit Programs Representative**  
Carol Kowash  
Ph: (503) 986-2036  
Email: Carol.Kowash@hcs.state.or.us

Page 1 of 2

### Program Overview

The Oregon Affordable Housing Tax Credit (OAHTC) Program provides a state income tax credit for affordable housing loans for which a lender reduces the interest rate by up to four percent. Applications must demonstrate a 20 year term that the benefit of the tax credit will be entirely passed on to reduce rents for the tenants.

### Program Description

A reservation will be given to projects with successful Consolidated Funding Cycle (CFC) applications that have obtained a “letter of Intent” from their lending institution. The reservation is good for 180 days. The reservation is for the principal loan amount, and expected interest rate and corresponding rate reduction.

A Certification will be given to projects with an acceptable application that have obtained a “Firm Commitment of Financing”. A Certification is good for the length of the loan or up to a maximum of 20 years, whichever comes first.

### Program and Eligibility Requirements

One hundred percent of the savings from the reduced loan must be directly passed through the low-income tenants and/or end users in the form of lower rents. Low-income households are those having less than 80 percent of the area median income as defined by the U.S. Department of Housing and Urban Development (HUD). The sponsors must show an intent to use the tax credit project for a long term affordable housing use. Restrictive Covenants will be required to guarantee long term affordability.

The financial institution holding the OAHTC loan is annually required to submit loan status reports along with a five percent charge of the tax credits used. The charge may get passed on to the sponsor.

Entities considered “qualified borrowers” or “sponsors” are for-profit or nonprofit corporations, state or local government entities (including but not limited to housing authorities) or a controlling partner in a limited partnership that enters into Restrictive Covenants regarding the rents on a property and eligibility of occupants.





## Oregon Affordable Housing Tax Credit Program

(Program Factsheet)

**Tax Credit Programs Representative**

Carol Kowash

Ph: (503) 986-2036

Email: Carol.Kowash@hcs.state.or.us

Page 2 of 2

Applications are taken as part of the department's CFC. Successful applicants must apply for a loan and receive financing within timelines established at the time of reservation (currently six months from date of reservation).

### For More Information

To talk with someone about developing affordable housing in your area, contact a [Regional Advisor to the Department](#) or call 503.986.2000.

OHCS is the state housing finance agency, providing financial and program support to create and preserve opportunities for quality, affordable housing for lower income Oregonians. The agency also administers federal and state antipoverty, homeless and energy assistance community service programs.

