North Carolina
HOUSING FINANCE AGENCY

2022 Investment and Impact Report

MORE THAN A HOME

INTRODUCTION

EACH COLORED PANEL REPRESENTS A SECTION OF THIS REPORT. CLICK ON THE INTRODUCTION ABOVE OR FLIP THROUGH EACH PANEL TO DIRECTLY ACCESS A SPECIFIC SECTION.

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2022 Investment and Impact Report

MORE THAN A HOME

INTRODUCTION

The North Carolina Housing Finance Agency finances more than just homes—our investments provide opportunities, options and solid foundations for North Carolinians to build their lives. Since the Agency was created, it has leveraged public funds with private dollars to finance affordable housing that delivers much more than just four walls and a roof for hundreds of thousands of North Carolinians.

We don't just help the people who live in the housing we finance—our investments have far-reaching impacts on the state's economy and the hundreds of communities that make up North Carolina.

Affordable Housing Benefits

Click below to read more about the benefits of affordable housing and the impacts of housing investments:

READ MORE

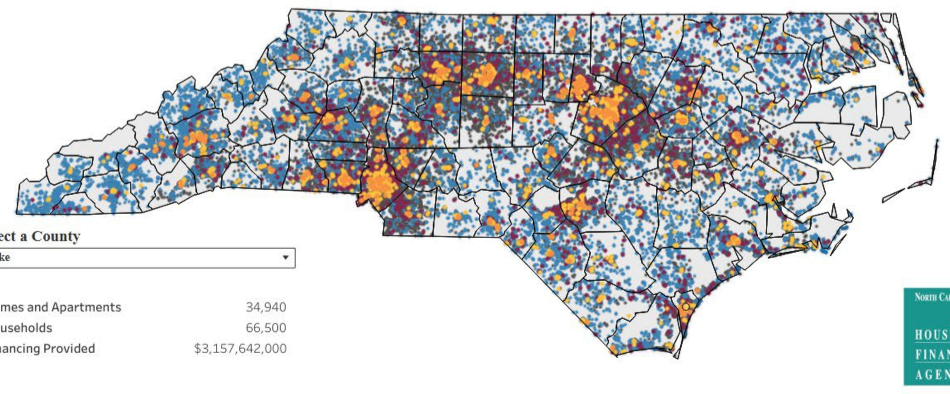
Housing Investments Get Results for North Carolina

The North Carolina Housing Finance Agency's mission is to provide safe, affordable housing opportunities to enhance the quality of life of North Carolinians. Since its creation, the Agency has met that mission by financing 298,860 homes and apartments valued at $29.16 billion. This work has helped 695,300 North Carolina households.

Learn more about our work below by clicking on the housing icons to see our work statewide in each area. Use the dropdown below the map to see cumulative results for a specific county. Please note that all information is as of December 31, 2022.

All-Time Results

Foreclosure Prevention | Home Ownership | Housing Preservation | Rental Production | Supportive Housing



Select a County
Wake

Homes and Apartments	34,940
Households	66,500
Financing Provided	$3,157,642,000

View on Tableau Public | Share

All numbers are based on Agency program counts and value tabulations, with economic impacts assessed using the Bureau of Economic Analysis RIMS II Model.

IN 2022...

In 2022, the Agency helped home buyers in a challenging housing market, awarded financing that will build nearly a billion dollars in affordable apartment developments and launched the NC Homeowner Assistance Fund to assist homeowners struggling to pay housing costs due to the economic impact of the pandemic. A self-supporting public agency, we consistently keep our operating costs to less than 2% of housing financed while maintaining an AA+/Aa1 bond rating.

8,880
homes and apartments financed

$1.77 B
in real estate activity produced

18,400
jobs supported

$54.4 M
in tax revenues generated

NEXT PAGE: HOME OWNERSHIP

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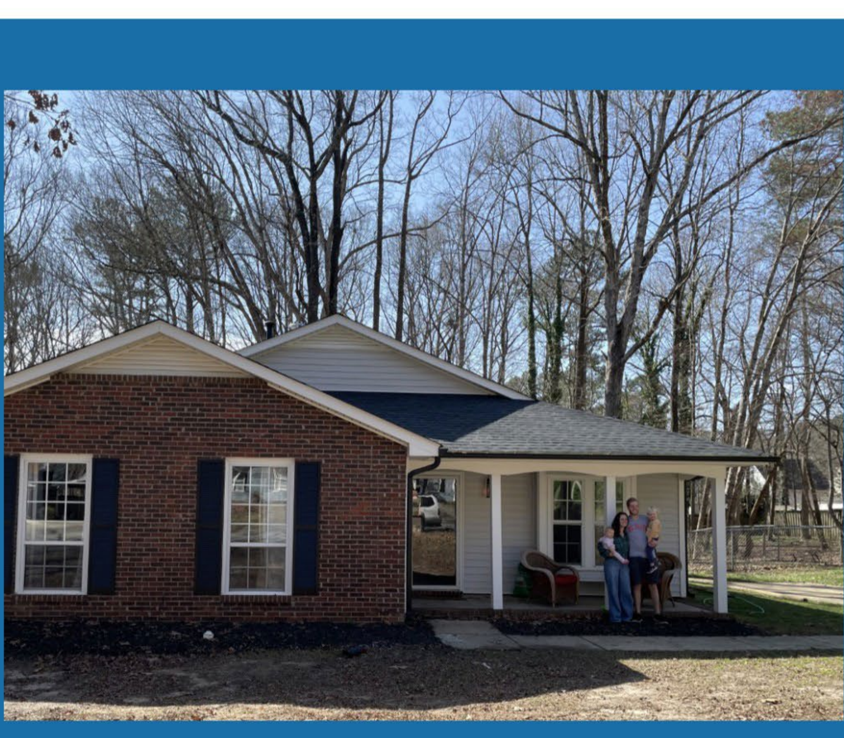
AGENCY INVESTMENTS MOVE PEOPLE INTO HOMES AND KEEP THEM THERE

MORTGAGE PRODUCTS | COMMUNITY PROGRAMS | REHAB & REPAIR | FORECLOSURE PREVENTION

MORTGAGE PRODUCTS AND PARTNERS

In an unprecedented housing market, the Agency offered affordable mortgage options, down payment assistance and tax credits in 2022 to homeowners through a statewide network of lending and real estate partners.



Family Moves into Dream Home

Kaitlyn in Garner was able to move her family of four into their dream home thanks to help from the NC Home Advantage suite of mortgage products.

"We have two little kids, two years and six months, and we knew we would love more space than our apartment offered, a yard for our kiddos to run around in, as well as a place to host local college student gatherings. However, we knew that with our limited income, we were priced out of most areas surrounding Raleigh. We are so grateful for the boost we received to make buying a home a reality. Our family has been in our home for a week and we are loving it. Our son is already chasing his dad around the backyard, 'helping' him rake leaves. We are unpacking while shaking our heads and saying to each other that we still can't believe it happened."

IN 2022...

The NC Home Advantage Mortgage™ provided **2,550 home buyers** with the affordable mortgage option they needed to purchase a home they can afford for the long term.

The NC 1st Home Advantage Down Payment provided $8,000 in forgivable down payment assistance to **1,890 first-time home buyers and military veterans in North Carolina**. For many, $8,000 was the boost they needed to get over the down payment hurdle.

The NC Home Advantage Tax Credit **helped 650 homeowners** more easily afford their mortgage by putting more money back into their pockets at tax time. This Mortgage Credit Certificate helps buyers afford their home for the life of the mortgage, providing decades of financial help for first-time buyers and military veterans.

AFFORDABLE MORTGAGE PRODUCTS IMPACT

One of the homeowners helped was Beatheia, a 67-year-old widow buying her very first home in Elizabeth City. The NC Home Advantage Tax Credit helped increase her income, enabling her to qualify for a home loan, and will help make home ownership more affordable for her for the long term.

Her loan officer said "Once she realized how much money she would save at tax time, she was overjoyed!"

COMMUNITY HOME OWNERSHIP OPTIONS

Community home-buying programs provide down payment assistance and low-cost financing for North Carolina home ownership hopefuls with incomes below 80% of the area median income. Financing provided by the Agency through its Community Partners Loan Pool **helped 95 homeowners** through down payment assistance and housing counseling. The Agency's Self-Help Loan Pool **provided 130 home buyers** with zero-interest, shared mortgage financing to buyers working with Habitat for Humanity affiliates to help make buying their homes more affordable.

These programs assisted communities in more than 30 counties, from Alamance to Wayne.

Increasing energy costs also strained the finances of many North Carolinians, with some seeing costs go up by more than 9% in 2022. SystemVision, a partnership between the Agency and Advanced Energy, works to help new homeowners decrease their energy costs to make owning a home more sustainable and affordable for the long term. In 2022, SystemVision helped **more than 100 homeowners** keep their energy costs down.

Community Programs Expand Buying Options

A population boom and scarcity of land are just two major factors that have contributed to a decrease in affordable housing options in Raleigh. Utilizing financing from the Agency's Community Partners Loan Pool, East College Park, a 2022 Housing North Carolina Award winner, took 25 acres of land and constructed 98 single-family homes to develop a mixed-income neighborhood where 60% are reserved for households with low to moderate incomes and 40% have no income restrictions. Homeowners come from diverse backgrounds, including young professionals and mid-career adults excited to finally be able to afford a home near their jobs.

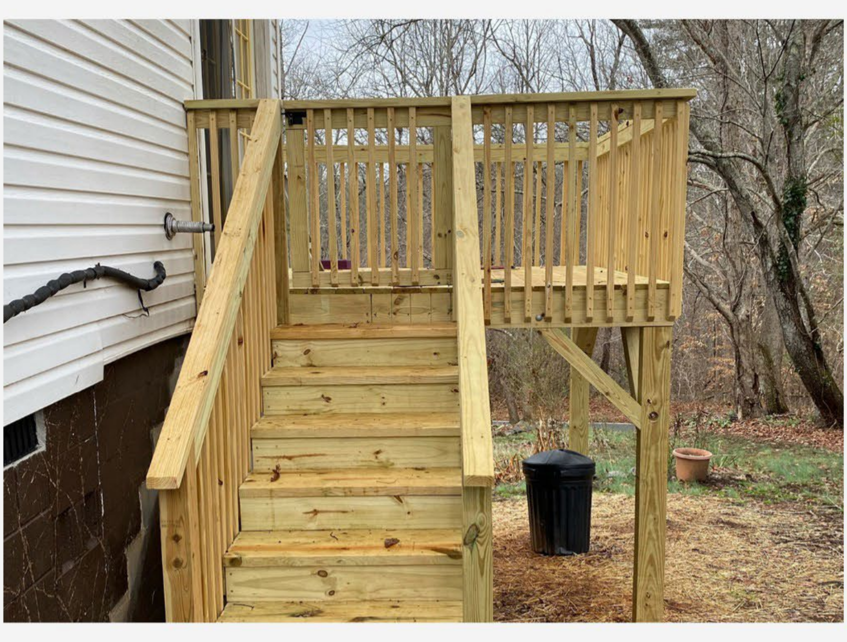
"If it was not for this project, I would never have the opportunity to have a brand-new constructed home this close to downtown," said one homeowner. "It's really exciting as a young professional to be able to do this."

COMMUNITY HOME OWNERSHIP PROGRAM IMPACTS

HOME REHAB & REPAIR

The physical and financial burdens of home maintenance can be overwhelming for low-income homeowners, particularly those who are elderly or have disabilities. In 2022, with the help of local government and nonprofit partners, **850 low-income homeowners** received urgent repairs, comprehensive rehabilitation, and accessibility modifications that allowed them to stay in their homes longer and reduced the impact on the state's health care system.

The Community Housing Coalition of Madison County, a 2022 Housing North Carolina Award winner, is just one of the Agency's partners across the state that provides emergency repairs and accessibility modifications for low-income homeowners through the Agency's Urgent Repair Program using dollars from the Housing Trust Fund. The Coalition's average client needs three urgent home repairs, such as access ramps, roof and floor repairs, essential system repairs and more.



Restoring Porch Use for Homeowners

One homeowner needed urgent repairs to her porch to safely enter and exit her home.

"The front porch occupies a place of comfort in most every country home, and mine had deteriorated into a dangerously dismal condition. You created a lovely space for me to reclaim the pleasures and safe treading of porch time. I shall be forever indebted to you for your considerate and caring ways, as well as for the skillful work in building the perfect porch for me."

REHAB & REPAIR IMPACTS

PREVENTING FORECLOSURE

The COVID-19 pandemic not only put North Carolinians' health at risk, but their homes too. **Launched in January 2022, the NC Homeowner Assistance Fund (NCHAF) provides relief in the form of mortgage and housing-related assistance to citizens who have been financially impacted.** By year's end, the program had helped more than 5,600 North Carolinians hold onto their homes.

The Agency also administers the State Home Foreclosure Prevention Project (SHFPP) to provide free housing counseling services through HUD-approved housing counseling agencies statewide. In 2022 alone, North Carolina homeowners benefited from more than 3,100 housing counseling sessions at no cost. Since it's creation in 2008, SHFPP has helped save 18,500 homes from foreclosure.

Mortgage Assistance Saves the Day

For many North Carolinians, like Karen of Hoke County, the pandemic felt like a bad rollercoaster ride. Karen is a surgical tech by trade and knows firsthand how lucky she is to have survived the COVID-19 pandemic.

"I had to video chat with families to share the news that their family members would not make it," she said. Karen's work hours decreased to 20 hours weekly and she had to exhaust her savings account. "My credit cards were maxed out and my credit score dropped," she said.

The NC Homeowner Assistance Fund assisted Karen by paying her past-due mortgage payments. "The physical and mental toll that the pandemic has taken on those of us in the medical field has been difficult," said Karen. "When I found out I was awarded with mortgage assistance, I dropped the phone and said 'Hallelujah!'"

NEXT PAGE: RENTAL

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Rental Investments

RENTAL INVESTMENTS PROVIDE SOLID FOUNDATIONS FOR SENIORS & WORKING FAMILIES

RENTAL PRODUCTION

RENTAL ASSISTANCE

RENTAL PRODUCTION & MANAGEMENT

North Carolina's strong population growth and increasing rent costs means that affordable rental housing options are becoming increasingly scarce. The average cost of rent in the state rose by 20% in 2022 over the previous year, outpacing the average nationwide increase of 16% and making it difficult for citizens to find apartments that they can afford.

Agency investments in rental development are expanding affordable options for working families and seniors increasingly squeezed by skyrocketing rental costs.

In 2022, the Agency financed 4,600 affordable apartment homes for working families and senior citizens to combat this trend and ensure that all North Carolinians have a safe and affordable place to call home.

In response to pandemic-related construction cost increases, the General Assembly also appropriated $190 million to the Workforce Housing Loan Program (WHLP) to the Agency to address funding gaps in previously awarded tax credit properties. A total of $226.3 million was used to help fill gaps that included increases to Agency Rental Production Program loans, Community Development Block Grant—Disaster Recovery loans, and Workforce Housing Loan Pool loans.

IN 2022...

133 preliminary applications received for Low-Income Housing Tax Credits (LIHTC)

28 9% awards for 1,716 units and $27.3 million in credits

20 tax-exempt bond awards with 4% LIHTC

4,600 affordable apartments financed

A Formerly Vacant Lot Becomes a Home for Durham Residents

Willard Street Apartments in Durham, a 2022 Housing North Carolina Award winner, turned a formerly vacant lot into a mixed-use development in the heart of downtown, close to jobs, health care, educational opportunities, public transportation and much more. This development provides 82 apartment homes that offer resident services and onsite activities to working families and senior citizens of Durham.

"This is definitely home for me," said one resident. "Before I moved here, I was going from job to job, struggling to pay the rent and put food on the table. My grandchildren love it here. I have safety here. I am able to live in an affordable apartment that allows me to get medical care to take care of myself. When I put my key in the door for the first two months, I got goosebumps."

AFFORDABLE RENTAL HOUSING IMPACT

RENTAL ASSISTANCE

For families with very low incomes, the Agency oversees Performance Based Contract Administration for properties with Section 8 Rental Assistance, **a key affordability tool to assist renters that helped 23,790 families in 2022.**

In addition, the Agency continued to partner with the North Carolina Department of Health and Human Services (NCDHHS) on programs such as the state's Transitions to Community Living Voucher. This program helps people with behavioral health disabilities either be diverted from or transition out of restrictive settings to live in the community of their choice.

In 2022 alone, the Transitions to Community Living Voucher served 2,700 North Carolinians with disabilities.

The Agency also provides access and support for the state's Key Rental Assistance, which helps low-income people with disabilities secure housing through the Targeting Program. A partnership between the Agency and NCDHHS, the Targeting Program requires properties developed using LIHTC to set aside between 10% and 20% of their units for eligible participants. In 2022, this partnership assisted 2,500 North Carolinians.

RENTAL ASSISTANCE PARTNERSHIPS IMPACT

NEXT PAGE: SUPPORTIVE HOUSING

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Supportive Housing

SUPPORTIVE HOUSING INVESTMENTS GIVE OPTIONS TO OUR MOST VULNERABLE CITIZENS

SUPPORTIVE HOUSING DEVELOPMENT

In 2022, the Agency funded six supportive housing developments through various programs including the Supportive Housing Development Program and others.

The continued increase in construction costs was particularly problematic for developing the supportive housing that often is the only safety net for the state's most vulnerable citizens. In response, the Agency increased funding to stalled developments to help them start and complete construction.

In addition, in 2022 the Agency increased loan amounts for regular Supportive Housing Development loans to $900,000 to alleviate the financial burden of increasing construction costs.

One population served by supportive housing that was hard hit by the pandemic were individuals and families experiencing homelessness, with some areas of the state seeing increases of more than 50% in recent years. The Howard Levine Men's Shelter, a 2022 Housing North Carolina Award winner, works to help Charlotte citizens transition from homelessness to home.

Supportive Housing Breaks the Cycle of Homelessness

Overcoming significant pandemic-related construction and supply chain delays and obstacles, the supportive housing development now offers 164 beds with space improvements to increase privacy, dignity and safety for guests staying there. Since opening, the shelter has improved the lives of many men experiencing homelessness. In the words of one guest:

"I count my blessings and am grateful for what I've been building…on the street there was no one to go to with my problems, but here I have someone to go to. I want to get my social security card, I want a nine to five job and I want to continue to get stronger mentally. I am going to break the cycle, I know that I am being called for something positive."

SUPPORTIVE HOUSING IMPACT

NEXT PAGE: HOUSING TRUST FUND

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Housing Trust Fund

THE HOUSING TRUST FUND PROVIDES AN ESSENTIAL FOUNDATION FOR NORTH CAROLINA CITIZENS

BOOSTING THE NORTH CAROLINA ECONOMY

The North Carolina Housing Trust Fund provides an essential safety net for North Carolina citizens and a significant boost to the state's economy. In 2022, the Agency leveraged the NC Housing Trust Fund with private and federal funding to finance 990 units of affordable housing for low-income families, seniors, veterans and people with disabilities.

The Trust Fund has helped finance 41,030 units with $536.4 million in financing since its creation, and delivers one of the state's best returns on investment, leveraging $4 in housing for every Trust Fund dollar invested.

Assisting the State's Most Vulnerable Citizens

NC Housing Trust Fund dollars are crucial for assisting the state's most vulnerable citizens. Among the thousands helped each year is Robert, a Rutherford county man who lost his wife in 2022. He relies on disability assistance to buy groceries and was faced with a leaking roof that threatened his health. The Rutherford Housing Partnership replaced his roof, making his home safer. Trust Fund investments made the difference.

"I'm not able to do the work myself, I'm glad there is someone to help me. Keep up the good work."

HOUSING TRUST FUND RESULTS

In 2022: 990 units of affordable housing for low-income families, seniors, veterans and people with disabilities.

All-Time Results: the Trust Fund has helped finance **41,030 units** with **$536.4 million in financing** since its creation.

All-Time Results: delivers one of the state's best returns on investment, **leveraging $4 in housing for every Trust Fund dollar invested.**

NEXT PAGE: LEADERSHIP

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Leadership

OUR BOARD OF DIRECTORS, HOUSING PARTNERSHIP & PARTNERS

BOARD OF DIRECTORS | HOUSING PARTNERSHIP | OUR PARTNERS

BOARD OF DIRECTORS

The Board of Directors that oversees the NC Housing Finance Agency is made up of 13 members, representing different geographical areas, who have an expertise in banking, mortgage servicing, home building and real estate sales.

The Governor, President of the State Senate and Speaker of the State House of Representatives each appoint four members, and these 12 members elect the 13th.

- J. Adam Abram, Chair
- Patricia G. Garrett, Vice Chair
- Leigh T. Brown
- Lavonda Daniels
- Marc Isaacson
- Paul S. Jaber
- James C. Kearney, Sr.
- Paul L. Kennedy
- M. Charles Mullen
- James W. Oglesby
- Chris C. Parrish
- Tom E. Smith

There is currently one vacancy on the Board of Directors

HOUSING PARTNERSHIP

The North Carolina Housing Partnership oversees, establishes policy and allocates funding for the North Carolina Housing Trust Fund. The Housing Trust Fund, appropriated by the General Assembly, is North Carolina's most flexible housing resource, as well as the largest source of financing for supportive housing and emergency repairs or accessibility modifications.

The partnership consists of 13 members, including the NC Housing Finance Agency Executive Director, the Secretary of the Department of Commerce and the State Treasurer. The General Assembly appoints the other 10 members to represent low-income housing advocates, home builders, the League of Municipalities, nonprofit housing development corporations, residents of low-income housing and the real estate lending industry. This board meets quarterly to discuss the allocation of Housing Trust Fund appropriations.

- Daniel Kornelis, *Chair*
- Sallie Surface, *Vice Chair*
- Scott Dedman
- Scott Farmer
- The Honorable Dale R. Folwell
- Robert J. Kellogg
- JC Lyle
- James Pressly
- Melody Smith
- Tom E. Smith
- Owen Thomas

There are currently two vacancies in the Housing Partnership

OUR PARTNERS

1,450 Apartment Owners and Managers

113 For-Profit Developers

188 Lending Institutions

101 Local Governments

172 Nonprofit Organizations

1,000 Loan Officers

99 Lenders

900+ Real estate Agents

A SELF-SUPPORTING PUBLIC AGENCY

GOOD HOUSING FOR NORTH CAROLINIANS.
GOOD BUSINESS FOR NORTH CAROLINA.

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