



PROPERTY TAX RELIEF DEFERRED LOAN PROGRAM

Program Objective

The City of Durham Property Tax Relief Loan Program will offer deferred loans to eligible long-time homeowners who experienced an increase in property taxes due to the impact occurring from the City's revitalization or home improvement efforts.

Borrower Eligibility

- Household Income must be 80% or below HUD AMI. There is no asset limitation
- Housing costs must be above 30% of total household gross income
- Property tax increase must be the result of a qualifying event
- Applicant must have resided in their home prior to the qualifying event and for a minimum of 5 years
- Eligible homeowners must have applied for the Homestead Exemption, Circuit Breaker, Disabled Veteran Exclusion , or other available tax abatement programs prior to applying for the deferred loan program
- Homeowners may apply for the program annually, not to exceed a maximum of four years

Eligible Properties

- Property must be located in a target area where increased property values were a result of a City event such as revitalization or home improvements impacting at least _____% of the units in the target area.
- Revitalization projects or home improvements must have occurred within the last 5 years.

Deferred Loan Terms

- Loan will have a 0% interest rate
- Deferred until the property is sold or transferred
- The loan amount will be the difference in the amount of the previous year's property tax obligation and the 2016 property tax obligation
- The increase in tax obligation must be a minimum of 10%
- The borrower must occupy the home as their principal residence and must continue to do so until the home is sold or transferred
- The borrower will be responsible for all closing costs associated with the loan. These costs will be added to the loan amount

Loan Costs

- The estimated closing costs for the initial loan will be \$200-\$500. This includes document preparation and recording.
- Closing costs will be added to the loan amount.
- Based upon the GIS map information, the average increase in tax obligations in the Southside area for 2016 was \$314.00.

How Has the Revaluation and Downtown Development Affected Single Unit Residential Taxpayers near Targeted Development Areas in Durham?

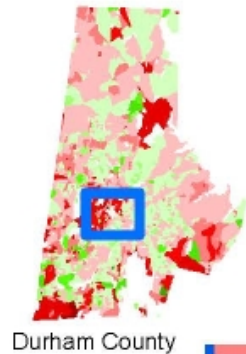
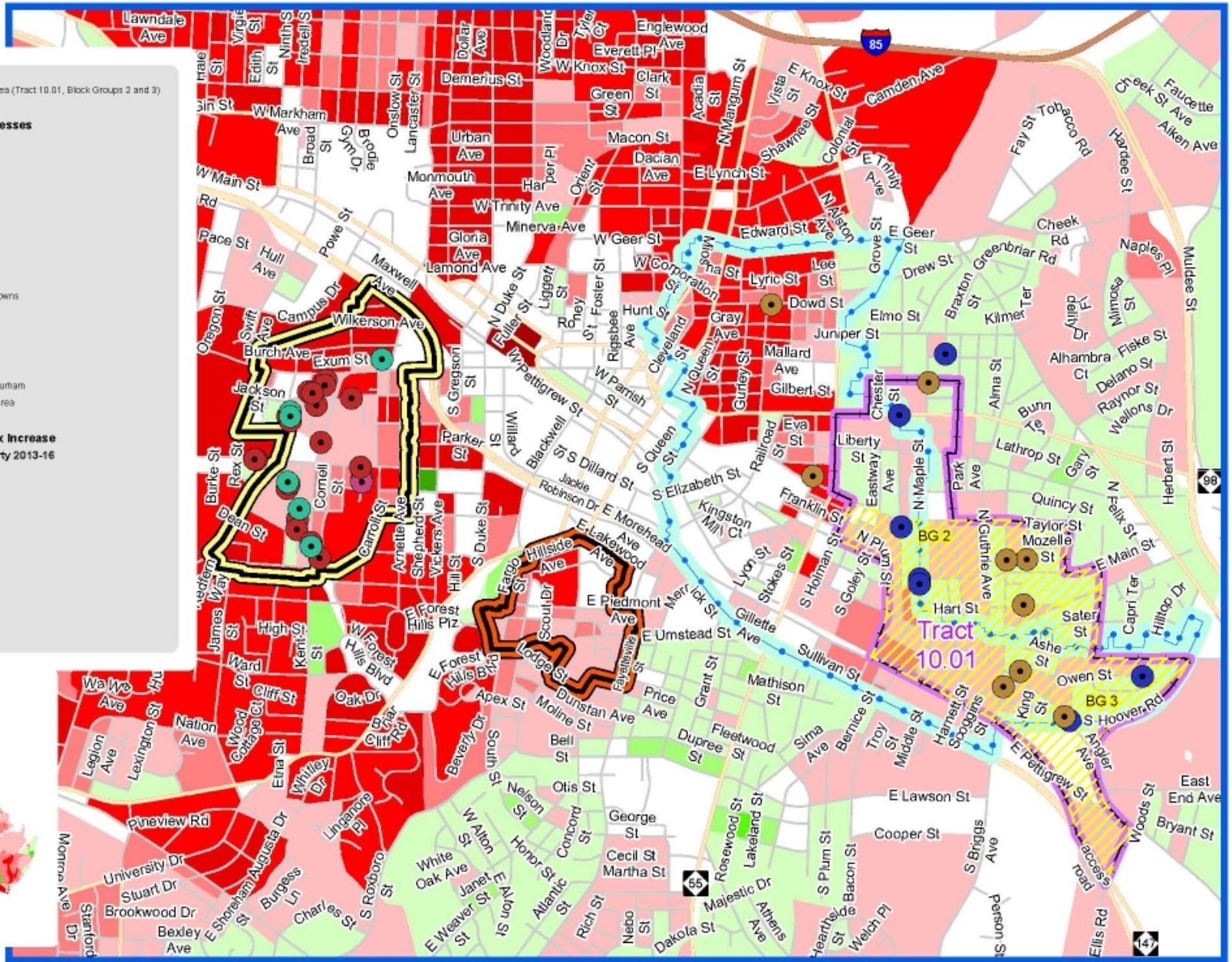


Selected Investment Addresses by Project

- Poverty Reduction Target Area (Tract 10.01, Block Groups 2 and 3)
- Census Tract 10.01
- 1013 & 1015 Rock Street
- Cole Mill
- Denson I
- Habitat Acquisitions
- Habitat Const. Cost Write Downs
- NSP 1
- SWCD Acquisitions
- Historic Northeast Central Durham
- Southside Redevelopment Area
- Southwest Central Durham

Census Blocks by Avg Tax Increase on 1 Unit Residential Property 2013-16

- (\$36,483.33) - (\$50,000.00)
- (\$4,999.99) - (\$1,000.00)
- (\$399.99) - (\$500.00)
- (\$499.99) - (\$250.00)
- (\$249.99) - \$0.00
- \$0.01 - \$250.00
- \$250.01 - \$500.00
- \$500.01 - \$1,000.00
- \$1,000.01 - \$5,000.00
- \$5,000.01 - \$115,186.26



Durham County