



Single Family Tax Credit Program



OVERVIEW

The Single Family Tax Credit program leverages public-private partnerships to increase the inventory of affordable, single-family housing for Ohio's growing workforce. The program provides \$50 million a year for four years to fill the financing gap to develop or substantially rehabilitate housing in Ohio. Proposed projects may receive up to \$100,000 in tax credits per dwelling. The tax credits may be claimed upon completion of the project.

Each dwelling in a development project must be sold to a qualified buyer who will use it as their primary residence. The sale price of the house must be affordable (i.e., no more than 30% of the qualified buyer's monthly income). Additionally, each dwelling in the project must remain affordable for 10 years after the initial sale.

ELIGIBILITY

Project

Project applications must include a minimum of five, single-family dwellings to be constructed or blighted structures to be made habitable. The dwelling sites may be contiguous or "scattered" site. Each dwelling must include a minimum of two bedrooms and one and one-half baths.

Development Team

The project development owner is the unit of government that owns the proposed project and is responsible for submitting the application and serving as the lead applicant. A qualified unit of government may include: a county, township, municipal corporation, regional planning commission, community improvement corporation, economic development corporation, county land reutilization corporation (organized under Chapter 1724 of the Revised Code), or port authority.

A project development team must be identified for any proposed project. Team members must include: the developer, general contractor, home builder, appraiser, housing counseling agency, construction lender, and project architect if applicable. Additional members may include: consultants, realtors, syndicators, etc. The team will be responsible for overseeing a project through construction completion, home sales, and post-completion servicing and reporting.

Qualified Buyer

A qualified buyer for the single-family dwellings must have a verified income up to 120% of the area median income, obtain a pre-approval letter stating qualification for a mortgage, attend homebuyer education within 12 months of purchase, have a credit score of at least 640, and be a first-time homebuyer or eligible homebuyer.

The qualified buyer must remain in the purchased dwelling as their primary residence for the 10-year affordability period. The qualified buyer must also enter into a restrictive covenant with the Ohio Housing Finance Agency to ensure the dwelling remains affordable.

TAX CREDIT CALCULATION

The tax credit reservation is calculated as the difference between the total estimated development cost and appraised market value of all dwellings in the project application, a maximum of \$100,000 per dwelling.

The tax credit is issued at the completion of a project. The final certified tax credit amount will be calculated as the difference between the actual project development costs and completed dwelling appraisals as provided at project completion. The amount of the total tax credit shall not exceed the original reserved credit amount.

The tax credit can be claimed annually over a 10-year period with the annual amount equaling one-tenth of the total certified tax credit.

APPLICATION PROCESS

Applications will be scored and competitively awarded based on the criteria outlined in the 2024-2025 Single Family Tax Credit Allocation Plan (with 2025 Technical Amendments) and Single Family Tax Credit Underwriting Guidelines. For an application to be considered for funding, it must include the application form, all required attachments, and the application fee.

MORE INFORMATION

For more information, including the program Allocation Plan and Underwriting Guidelines, visit <https://ohiohome.org/singlefamilytaxcredit.aspx>.

Questions regarding the program and the application process can be emailed to: SingleFamilyTaxCredit@ohiohome.org.

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Revised January 23, 2025