



## The Alabama Housing Trust Fund

### *An Overview*

#### ***What is the Alabama Housing Trust Fund?***

- A housing trust fund is a flexible source of funding that can be used to meet a variety of housing needs.
- Funds can be used for development, rehabilitation, down payment assistance, supportive services and other housing related activities.
- Housing Trust Funds allow states to address critical and/or urgent situations in a fiscally responsible way.

#### ***Alabama Housing Trust Fund Details***

- Passage of Alabama Affordable Housing Act in 2012 (Act 2012-384).
- Designed to maintain, retain, and create affordable housing in Alabama.

#### ***How will it work?***

- Administered by ADECA.
- All funds will go to 60% and below of Median Family Income, with majority going to 30% and below Median Family Income.
- 40% rural set aside.
- Homeownership projects must follow the ownership requirements of the Habitat for Humanity program.
- Appointment of committee that will advise ADECA on how funds will be used, criteria for evaluation, etc.
- Competitive, annual application.
- Eligible entities: nonprofit organizations, counties, municipalities, public housing authorities. For-profit developers must partner with a nonprofit in order to access funds.
- No related entities may receive more than 15% of the Alabama Housing Trust Fund's annual allocation.

#### ***How will it be funded?***

- The mortgage record tax is a one-time filing fee upon purchase or a refinance of a mortgage.
- Enacted in 1935 and has never been changed.
- Increase to 30 cents per \$100 of indebtedness.
- The increase makes Alabama equal to Georgia and less than Florida. Mississippi does not have a comparable document filing fee.

**Hardworking Alabamians should be able to pay rent and still be able to put food on the table.**

For more information about the need to secure dedicated revenue for the AHTF, please visit

[www.alabamahousingtrustfund.org](http://www.alabamahousingtrustfund.org).