

APPENDIX: Local Government Property Conveyance to Intermediary for Affordable Housing

Conveyance Type	N.C.G.S.	Cnty Ref.?*	Set aside required?	Non-monetary consideration? See <i>Brumley</i> **
Any buyer (nonprofit or for profit)				
Private sale at fair market value (FMV) with affordability restrictions	160D-1316	No	All units must be reserved for LMI persons. See G.S. 157-9.4 if separate financial assistance provided for multifamily.	Fair market value (FMV) required but accounts for: <ul style="list-style-type: none"> • affordability restrictions • Property reverts back to govt if end restrictions (unless sell to LMI household)
Private sale with non-monetary consideration (in form of promise to provide LMI housing on the property)	157-9	Only if state or local funds used	20% set aside for low income required only if: <ul style="list-style-type: none"> • one or more units serve "other than" LMI • or G.S. 157-9.4 financial assistance for multifamily 	Non-monetary consideration is promise to provide LMI housing. Property reverts back to govt if end restrictions (unless sell to LMI household).
Lease at FMV	160A-278	No	20% set aside required for low income if one or more units serve "other than" LMI household	Fair market lease rate required, but lease rate should account for affordability restrictions

* Referendum imposed on counties by G.S. 160D-1311(d). No referendum required for municipalities and housing authorities.

***Brumley v. Baxter*, 251 N.C. 691 (1945) (conveyance to charity unconstitutional unless conditioned on reversion back to county once no longer used by the recipient for charitable public purpose)