

New Rental Property Tax Relief!

Incentive for Multifamily Owners in High and Low Cost Markets

Summary of Incentives

	Tier 1	Tier 2	Tier 3 (Only available in downtown Chicago and some suburbs)
Required Affordability	15%	35%	20%
Affordability Level	60% of Area Median Income (AMI)	60% of AMI	60% of AMI
Tax Incentive	25% of assessed value	35% of assessed value	Years 1-3: 100% of the difference between the value of the property one year before the affordable units are occupied and post-construction assessed value Years 4-6: 80% of the difference Years 7-9: 60% of the difference Years 10-12: 40% of the difference Years 13-30: 20% of the difference
Qualifying Activity	New construction and rehab costing \$8/sq ft and improvements of two primary building systems	New construction and rehab costing \$12.50/sq ft and improvements of two primary building systems	New construction and rehab costing \$60/sq ft and improvements of five primary building systems
Minimum Building Size	7 units	7 units	7 units
Duration	10 years, with two renewable 10 year periods for a total of 30 years	10 years, with two renewable 10 year periods for a total of 30 years	30 years