Housing Tax Credit

2026

1

Contact Information

Mailing Address:
TDHCA
PO Box 13941
Austin, TX 78711-3941

Physical Address:
TDHCA
221 East 11th Street
Austin, TX 78701

Website: https://www.tdhca.texas.gov
Email: multifamilycompliance@tdhca.texas.gov

Division Phone Number: (512) 305-8869
or (800) 525-0657 (toll free in Texas only)

2

2

Announcements

Schedule:

- The webinar will run from 8:30 am until approximately 4:30 pm
- Breaks: Mid-Morning and Mid-Afternoon
- Lunch: Approximately 12 – 1 pm

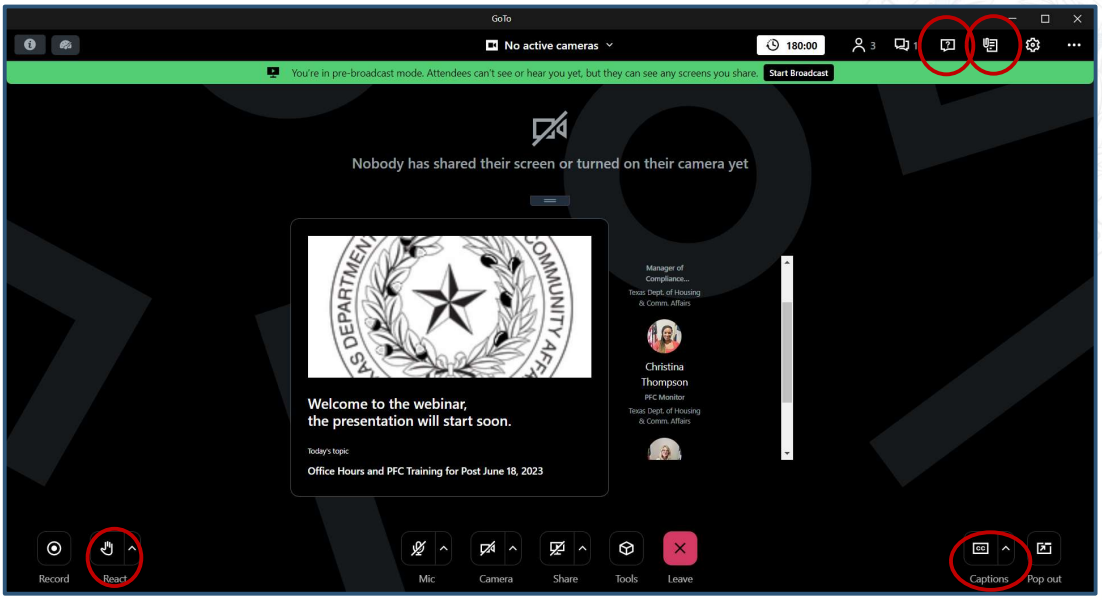
Housekeeping:

- Certificates **will** be emailed by TDHCA within about a week of the webinar
- You will receive an email confirming your attendance within 24-hours from the GoTo Platform, please check your "junk" folders as we cannot reissue these emails
- If you did not use your emailed link for the training from your registration you will not receive a follow-up email or show as having attended the webinar to receive a certificate
- We encourage you to silence your phones and put an "out of office" email response to help avoid distractions during the training
- Please pose questions and comments to the "Questions Box"

3

3

GoTo Meeting Platform



4

4

If You or Your Tenants Need Housing Assistance:

If you need housing assistance, such as rental assistance, utility assistance or finding affordable apartments, please contact:

Phone: (800) 525-0657

Email: info@tdhca.texas.gov

Or visit Help For Texans:

https://www.tdhca.texas.gov/help-for-texans

5

5

Resources

6

6

Resources

- **Internal Revenue Service (IRS)**
  - https://www.irs.gov/
  - https://www.irs.gov/pub/irs-pdf/p5913.pdf
- **Housing and Urban Development (HUD)**
  - https://www.hud.gov/
  - https://www.hud.gov/hudclips/handbooks/housing-4350-3
- **Texas Department of Housing and Community Affairs (TDHCA)**
  - https://www.tdhca.texas.gov/
  - https://www.tdhca.texas.gov/compliance
  - https://www.tdhca.texas.gov/compliance-manuals-and-rules
  - https://www.tdhca.texas.gov/compliance-division-staff
  - https://www.tdhca.texas.gov/programs/multifamily-housing-programs
  - https://texas-sos.appianportalsgov.com/rules-and-meetings?chapter=10&interface=VIEW_TAC&part=1&subchapter=F&title=10

7

7

Module 1

The Tax Credit Program

8

8

Key Players: The IRS

Internal Revenue Service (IRS)

- Section 42 of Internal Revenue Code
- 8823 Audit Guide (revised January 2011)
- Treasury Regulation 1.42
  - 1.42-5 (Tax Credit Compliance Monitoring; updated February 2019)
  - 1.42-10 (Utility Allowance; updated March 2016)
- Revenue Rulings, Procedures and Notices
- Treasury Decisions
- Process Tax Returns
- Responsible for recapturing credits

9

9

Key Players: HUD

US Department of Housing and Urban Development (HUD)

- Chapters 3 and 5 of the 4350.3 (Change 4: 11/2013)
  - Outlines income and asset inclusions/exclusions
  - Defines who counts as a household member
- Publish Income Limits
- **Housing Opportunity Through Modernization Act of 2016 (HOTMA)**

10

10

Key Players: The Department

Texas Department of Housing and Community Affairs (TDHCA)

- Housing Finance Agency (HFA) for Texas
- Allocates Tax Credits
- Publishes QAP and Multifamily Rules
- Compliance Monitoring Rules (Title 10, Chapter 10, Subchapter F of the Texas Administrative Code)
- Reports to The IRS
- Provides Technical Assistance

11

11

Key Players: Owners

Owners

- Provide affordable units
- Maintain property standards
- Maintain sufficient documentation to evidence compliance with all requirements
- Establish written policies and procedures
- Report to TDHCA

12

12

How it works

IRS Issues Credits

States Award Credits

13

13

Qualified Allocation Plan (QAP)

SUBCHAPTER B. SITE AND DEVELOPMENT REQUIREMENTS AND RESTRICTIONS

10 TAC §11.101

§11.101.Site and Development Require

(a) Site Requirements and Restrictions. The p
requirements and restrictions related to a Dev
assistance from the Department.

(6) Unit Requirements.

(A) Unit Sizes. Developments proposing
required to meet the minimum sizes of
subparagraph. These minimum require
criteria. Developments proposing Rehab
Supportive Housing Developments will
subparagraph. If the Development invo
New Construction, the Reconstruction
requirements. The requirements are:

(i) four hundred fifty (450) square feet for an Efficiency Unit;

(ii) five hundred fifty (550) square feet for a one Bedroom Unit;

(iii) eight hundred (800) square feet for a two Bedroom Unit;

(iv) one thousand (1,000) square feet for a three Bedroom Unit; and

(v) one thousand, two-hundred (1,200) square feet for a four Bedroom Unit.

(3) Resident Supportive Services. (§2306.6710(b)(3) and (1)(G), and §2306.6725(a)(1)) A Development may qualify to receive up to eleven (11) points.

(4) Mandatory Development Amenities. (§2306.187) New Construction, Reconstruction or Adaptive Reuse Units must include all of the amenities in subparagraphs (A) - (O) of this
truction) Developments must provide the
d (O) of this paragraph unless stated otherwise.
required to provide the amenities in
his paragraph; however, access must be
mon Area. All amenities listed below must be at
be provided written notice of the applicable
he Board may waive one or more of the
ments that will include Historic Tax Credits, with
hendment that the amenity has not been
n or National Park Service, as applicable.
uld be aware that certain amenities are not
thout limitation, detached community spaces,
, and playgrounds, as more fully described at
Requirements). Amenities include:

lable using current technology for data and

(C) Exhaust/vent fans (vented to the outside) in the bathrooms;

(D) Screens on all operable windows;

(E) Disposal (not required for USDA Rehabilitation);

(7) Resident Supportive Services. The resident supportive services include those listed in subparagraphs (A) - (E) of this paragraph, which are grouped primarily for organizational purposes. Applicants are not required to select a specific number of services from each section. Tax Exempt Bond Developments must select a minimum of eight points; Direct Loan Applications not layered with Housing Tax Credits must include enough services to meet a minimum of four points. The points selected and complete list of supportive services will be included in the LURA and the timeframe by which services are offered must be in accordance with §10.619 of this title (relating to Monitoring for Social Services) and maintained throughout the Affordability Period. The Owner may change, from time to time, the services offered; however, the overall points as selected at Application must remain the same. A Development Owner may be required to substantiate such service(s) if requested by staff. Should the QAP in subsequent years provide different services than those listed in subparagraphs (A) - (E) of this paragraph, the Development Owner may request an Amendment as provided in §10.405(a)(2) of this chapter (relating to Amendments and Extensions). The services provided should be those that will directly benefit the Target Population of the Development. Residents must be provided written notice of the elections made by the Development Owner. No fees may be charged to the residents for any of the services, there must be adequate space for the intended services and services offered

https://www.tdhca.texas.gov/multifamily-programs-qap-nofas-and-rules

14

14

Qualified Allocation Plan (QAP): Timeline

Deadline	Documentation Required
01/03/2025	Application Acceptance Period Begins. Public Comment period starts.
01/09/2025	Pre-Application Final Delivery Date (including waiver requests).
02/15/2025	Deadline for submission of Request for Preliminary Determination in accordance with §11.8(d) of this chapter.
02/15/2025	Deadline for submission of Application for .ftp access if pre-application not submitted.
02/28/2025	End of Application Acceptance Period and Full Application Delivery Date (including Quantifiable Community Participation documentation; Environmental Site Assessments (ESAs), Scope and Cost Reviews (SCRs); Appraisals; Primary Market Area Map; Feasibility Report; all Resolutions necessary under §11.3 of this chapter related to Housing De-Concentration Factors). Final Input from Elected Officials Delivery Date (including Resolution for Local Government Support pursuant to §11.9(d)(1) of this chapter and State Representative Input pursuant to §11.9(d)(5) of this chapter.
04/04/2025	Market Analysis Delivery Date pursuant to §11.205 of this chapter.
04/15/2025	Deadline for Third Party Request for Administrative Deficiency.
Early June 2025	Scoring Notices Issued for Majority of Applications Considered "Competitive."
06/03/2025	Public comment deadline for the comment to be included in the Board materials relating to the July presentation of awards are due in accordance with §1.10.
June 2025	On or before June 30, publication of the list of Eligible Applications for Consideration for Award in July.
July 2025	On or before July 31, Board issuance of Final Awards.
August 2025	Commitments are Issued.
11/01/2025	Carryover Documentation Delivery Date.
07/01/2026	10% Test Documentation Delivery Date.
12/31/2027	Placement in Service.
Five business days after the date on the Deficiency Notice (without incurring point loss)	Administrative Deficiency Response Deadline (unless an extension has been granted).

15

15

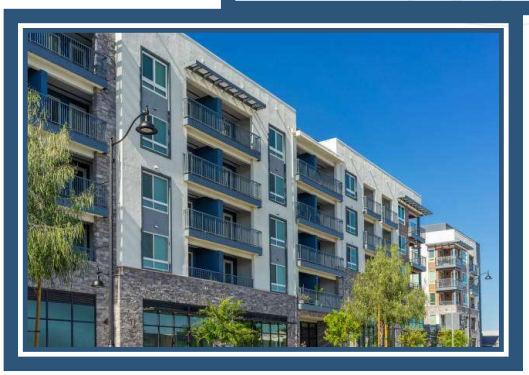
Qualified Allocation Plan (QAP): Timeline for State Housing Tax Credits

Deadline	Documentation Required
2/28/2025	Full Application Delivery Deadline, must include completed Intent to Request a State Housing Tax Credit Allocation
8/31/2025	State Housing Tax Credit Request Form due
September 2025	Allocation Certificates issued

16

16

What's Next?



17

17

Eligible Basis to Total Credit

Eligible Basis	×	Applicable Fraction	=	Qualified Basis
Qualified Basis	×	4% or 9%	=	Annual Credit
Annual Credit	×	10 Years	=	Total Credit

18

18

Credit Percentage: 9% versus 4%

9%

- New Construction
- Rehabilitation

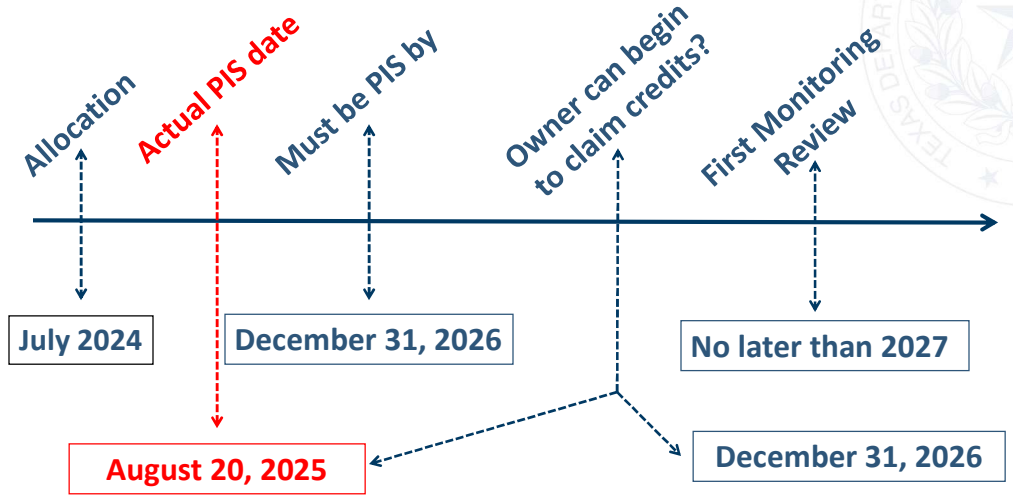
4%

- Acquisition
- Financed with 50% Tax Exempt Bonds

19

19

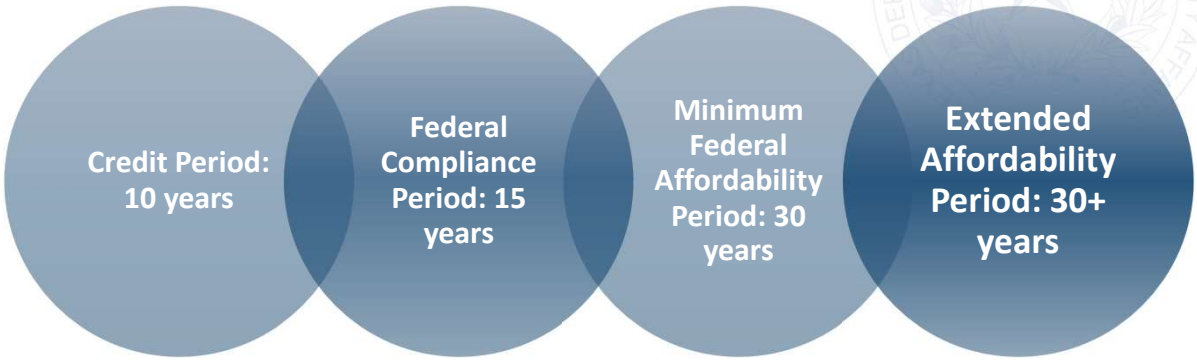
Timeline: From Allocation to First Monitoring Review



20

20

Timeline: LURA Requirements



21

21

Module 2

The Land Use Restriction Agreement

22

22

Land Use Restriction Agreement (LURA)

TDHCA #2[redacted] [redacted] GENERAL 9% NEW CONSTRUCTION

DECLARATION OF LAND USE RESTRICTIVE COVENANTS
LAND USE RESTRICTION AGREEMENT FOR LOW INCOME HOUSING TAX CREDITS

THIS DECLARATION OF LAND USE RESTRICTIVE COVENANTS/LAND USE RESTRICTION AGREEMENT FOR LOW-INCOME HOUSING TAX CREDITS (the "Declaration"), dated as of **OCTOBER 6, 2025**, is made by and between [redacted] LP, A **TEXAS LIMITED PARTNERSHIP** (together with its successors and assigns, the "Development Owner"), and the **TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**, a public and official agency of the State of Texas (together with any successor to its rights, duties and obligations, the "Department"), and is given by Development Owner as an inducement to the Department to allocate tax credits as a condition precedent to the determination that the Development, as defined herein, satisfies the requirements of the State of Texas's Qualified Allocation Plan and the allocation of low-income housing tax credits (the "Tax Credits") by the Department, pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated pursuant thereto. This Declaration incorporates the extended low-income housing commitment required by Section 42(h)(6) of the Code and is entered into in accordance with the provisions of Chapter 2306 of the Texas Government Code, (the "Act"), as may be amended from time to time.

WITNESSETH:

WHEREAS, the Development Owner is or shall be the Development Owner of a low income rental housing development, known as or to be known as [redacted] (the "Development Improvements"), on real property located in the City of [redacted] County of [redacted] State of Texas, more particularly described in the "Legal Description" attached hereto as Exhibit A and incorporated herein by reference for all purposes (the "Development Land") (the Development Improvements and the Development Land being collectively referred to herein as the "Development");

WHEREAS, the Department has been designated by the Governor of the State of Texas as the housing credit agency for the State of Texas for the allocation of Tax Credits;

WHEREAS, the Development Owner has represented to the Department in the Development Owner's Low-Income Housing Tax Credit Application (the "Application"), authorized by the Department's Low-Income Rental Housing Tax Credit Rules, also known as the Department's "Qualified Allocation Plan" (Title 10, Part 1, Chapter 11 of the Texas Administrative Code), the Department's Uniform Multifamily Rules (Title 10, Part 1, Chapter 10 of the Texas Administrative Code), the Department's Enforcement Rules (Title 10, Part 1, Chapter 2 of the Texas Administrative Code), and the Department's Administration Rules (Title 10, Part 1, Chapter 1 of the Texas Administrative Code) (collectively, the "Department Rules"), that, among other things, the Development Owner shall lease **100%** of the Units in the Development to individuals or families whose imputed incomes do not exceed an average of **54%** of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated herein by reference for all purposes;

WHEREAS, the Development Owner has represented to the Department in the Application that it will impose additional rent, occupancy, and ownership restrictions as shown in the "Additional Use Restrictions" attached hereto as Addendum B, "Additional Use Restrictions- Accessibility Requirements" attached hereto as Addendum C, "Additional Use Restrictions- Amenity Requirements" attached hereto as Addendum D, and "Additional Use Restrictions-Agreement to Offer a Right of First Refusal" attached hereto as Addendum E, each and all of which are incorporated herein by reference for all purposes;

WHEREAS, the Development Owner is subject to the regulatory and oversight powers of the Department and other terms and conditions of the Act;

WHEREAS, the Code requires, as a condition precedent to the allocation of Tax Credits, that the Development Owner execute, deliver, and record in the real property records of the county in which the Development is located this Declaration in order to create certain covenants running with the land for the purpose of enforcing the requirements of Section 42 of the Code by regulating and restricting the use, occupancy, and transfer of the Development as set forth herein; and

WHEREAS, the Development Owner, under this Declaration, intends, declares and covenants that the regulatory and restrictive covenants set forth herein governing the use, occupancy, and transfer of the Development shall be and are covenants running with the

DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR HOUSING TAX CREDITS
[redacted] PAGE 1

Each Property will be issued a Land Use Restriction Agreement (LURA) which will drive the operations of the property under the Housing Tax Credit (HTC) Program. The LURA is attached to the land, so for the term of the LURA the land must operate under the requirements of the document and program.

23

23

The LURA Process

24

24

The LURA

What can you find in the LURA?

25

25

The LURA: Minimum Set-Aside

WHEREAS, the Development Owner has represented to the Department in the Development Owner's Low-Income Housing Tax Credit Application (the **"Application"**), authorized by the Department's Low-Income Rental Housing Tax Credit Rules, also known as the Department's "**Qualified Allocation Plan**" (Title 10, Part 1, Chapter 11 of the Texas Administrative Code), the Department's Uniform Multifamily Rules (Title 10, Part 1, Chapter 10 of the Texas Administrative Code), the Department's Enforcement Rules (Title 10, Part 1, Chapter 2 of the Texas Administrative Code), and the Department's Administration Rules (Title 10, Part 1, Chapter 1 of the Texas Administrative Code) (collectively, the **"Department Rules"**), that, among other things, the Development Owner shall lease **100%** of the Units in the Development to individuals or families whose income is sixty percent (60%) or less of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated by reference for all purposes;

100% HTC 40/60

Mixed Income 40/60

WHEREAS, the Development Owner has represented to the Department in the Development Owner's Low-Income Housing Tax Credit Application (the "Application"), authorized by the Department's Low-Income Rental Housing Tax Credit Rules, also known as the Department's "Qualified Allocation Plan" (Title 10, Part 1, Chapter 11 of the Texas Administrative Code), the Department's Uniform Multifamily Rules (Title 10, Part 1, Chapter 10 of the Texas Administrative Code), the Department's Enforcement Rules (Title 10, Part 1, Chapter 2 of the Texas Administrative Code), and the Department's Administration Rules (Title 10, Part 1, Chapter 1 of the Texas Administrative Code) (collectively, the "Department Rules"), that, among other things, the Development Owner shall lease **88.13%** of the Units in the Development to individuals or families whose income is 60% or less of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated by reference for all purposes;

WHEREAS, the Development Owner has represented to the Department in the Development Owner's Low-Income Housing Tax Credit Application (the "Application"), authorized by the Department's Low-Income Rental Housing Tax Credit Rules, also known as the Department's "Qualified Allocation Plan" (Title 10, Part 1, Chapter 11 of the Texas Administrative Code), the Department's Uniform Multifamily Rules (Title 10, Part 1, Chapter 10 of the Texas Administrative Code), the Department's Enforcement Rules (Title 10, Part 1, Chapter 2 of the Texas Administrative Code), and the Department's Administration Rules (Title 10, Part 1, Chapter 1 of the Texas Administrative Code) (collectively, the "Department Rules"), that, among other things, the Development Owner shall lease **100%** of the Units in the Development to individuals or families whose imputed incomes do not exceed an average of **54%** of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated herein by reference for all purposes;

Average Income

26

26

The LURA: Low-Income Units Required – 100% HTC

WHEREAS, the Development Owner has represented to the Department in the Development Owner's Low-Income Housing Tax Credit Application (the **"Application"**), authorized by the Department's Low-Income Rental Housing Tax Credit Rules, also known as the Department's "**Qualified Allocation Plan**" (Title 10, Part 1, Chapter 11 of the Texas Administrative Code), the Department's Uniform Multifamily Rules (Title 10, Part 1, Chapter 10 of the Texas Administrative Code), the Department's Enforcement Rules (Title 10, Part 1, Chapter 2 of the Texas Administrative Code), and the Department's Administration Rules (Title 10, Part 1, Chapter 1 of the Texas Administrative Code) (collectively, the **"Department Rules"**), that, among other things, the Development Owner shall lease **100%** of the Units in the Development to individuals or families whose income is sixty percent (60%) or less of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated by reference for all purposes;

100% HTC 40/60

(c) The Development will contain a total of **164 UNITS** (including Units occupied by a resident manager or other employee, such that they are not treated as "residential rental units" for purposes of Section 42 of the Code), of which **164 UNITS** treated as residential rental Units will be Low-Income Units. The amount of Tax Credits allocated to the Development is based on the requirement that the Minimum Applicable Fraction for each building in the Development will be as specified, building-by-building, in "**Minimum Applicable Fraction by Building**" attached hereto as Addendum F. During the Term of this Declaration, Units at the Development shall be leased and rented or made available to members of the general public who qualify as Low-Income Tenants; such that each building in the Development shall at all times satisfy the Minimum Applicable Fraction for such building. The Development Owner's failure to ensure that each building in the Development complies with such requirement will cause the Department to report such fact to the Service and may result in the reduction or recapture by the Service of Tax Credits, as well as other enforcement action by the Service and/or the Department. After the Compliance Period, the Minimum Applicable Fraction will be monitored in accordance with Department Rules.

RENT AND OCCUPANCY RESTRICTIONS

INCOME LIMIT	RENT LIMIT	NUMBER OF UNITS
30% OF AMI	30% OF AMI	0
40% OF AMI	40% OF AMI	0
50% OF AMI	50% OF AMI	16
60% OF AMI	60% OF AMI	148
MARKET	MARKET	0

If at recertification the Tenant's household income exceeds the applicable limit, to maintain compliance, the owner agrees to follow recertification guidance in accordance with the Department Rules as amended from time to time

27

27

The LURA: Low-Income Units Required – Mixed Income

Mixed Income 40/60

WHEREAS, the Development Owner has represented to the Department in the Development Owner's Low-Income Housing Tax Credit Application (the "Application"), authorized by the Department's Low-Income Rental Housing Tax Credit Rules, also known as the Department's "Qualified Allocation Plan" (Title 10, Part 1, Chapter 11 of the Texas Administrative Code), the Department's Uniform Multifamily Rules (Title 10, Part 1, Chapter 10 of the Texas Administrative Code), the Department's Enforcement Rules (Title 10, Part 1, Chapter 2 of the Texas Administrative Code), and the Department's Administration Rules (Title 10, Part 1, Chapter 1 of the Texas Administrative Code) (collectively, the "Department Rules"), that, among other things, the Development Owner shall lease **88.13%** of the Units in the Development to individuals or families whose income is 60% or less of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated by reference for all purposes;

(c) The Development will contain a total of **146 UNITS** (including Units occupied by a resident manager or other employee, such that they are not treated as "**residential rental units**" for purposes of Section 42 of the Code), of which **115 LOW-INCOME UNITS** treated as "**residential rental Units**" will be Low-Income Units. The amount of Tax Credits allocated to the Development is based on the requirement that the Minimum Applicable Fraction for each building in the Development will be as specified, building-by-building, in "**Minimum Applicable Fraction by Building**" attached hereto as Addendum F. During the Term of this Declaration, Units at the Development shall be leased and rented or made available to members of the general public who qualify as Low-Income Tenants; such that each building in the Development shall at all times satisfy the Minimum Applicable Fraction for such building. The Development Owner's failure to ensure that each building in the Development complies with such requirement will cause the Department to report such fact to the Service and may result in the reduction or recapture by the Service of Tax Credits, as well as other enforcement action by the Service and/or the Department. After the Compliance Period, the Minimum Applicable Fraction will be monitored in accordance with Department Rules.

RENT AND OCCUPANCY RESTRICTIONS

INCOME LIMIT	RENT LIMIT	NUMBER OF UNITS
30% OF AMI	30% OF AMI	6
40% OF AMI	40% OF AMI	0
50% OF AMI	50% OF AMI	22
60% OF AMI	60% OF AMI	24
MARKET	MARKET	7

If at recertification the Tenant's household income exceeds the applicable limit, to maintain compliance, the owner agrees to follow recertification guidance in accordance with the Department Rules as amended from time to time

28

28

The LURA: Average Income Details

WHEREAS, the Development Owner has represented to the Department in the Development Owner's Low-Income Housing Tax Credit Application (the "Application"), authorized by the Department's Low-Income Rental Housing Tax Credit Rules, also known as the Department's "Qualified Allocation Plan" (Title 10, Part 1, Chapter 11 of the Texas Administrative Code), the Department's Uniform Multifamily Rules (Title 10, Part 1, Chapter 10 of the Texas Administrative Code), the Department's Enforcement Rules (Title 10, Part 1, Chapter 2 of the Texas Administrative Code), and the Department's Administration Rules (Title 10, Part 1, Chapter 1 of the Texas Administrative Code) (collectively, the "Department Rules"), that, among other things, the Development Owner shall lease **100%** of the Units in the Development to individuals or families whose imputed incomes do not exceed an average of **54%** of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated herein by reference for all purposes;

Average Income

AVERAGE INCOME RESTRICTION
The Development Owner has represented to the Department in the Development Owner's Application, authorized by the Department Rules, that among other things, the Development Owner shall lease **ONE HUNDRED PERCENT (100%)** of the Units in the Development to individuals or families whose imputed incomes do not exceed an average of **SIXTY PERCENT (60%)** of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated herein by reference for all purposes.

WHEREAS, the Development Owner has represented to the Department in the Development Owner's Low-Income Housing Tax Credit Application (the "**Application**"), authorized by the Department's Low-Income Rental Housing Tax Credit Rules, also known as the Department's "**Qualified Allocation Plan**" (Title 10, Part 1, Chapter 11 of the Texas Administrative Code), the Department's Uniform Multifamily Rules (Title 10, Part 1, Chapter 10 of the Texas Administrative Code), the Department's Enforcement Rules (Title 10, Part 1, Chapter 2 of the Texas Administrative Code), and the Department's Administration Rules (Title 10, Part 1, Chapter 1 of the Texas Administrative Code) (collectively, the "**Department Rules**"), that, among other things, the Development Owner shall lease **78.76%** of the Units in the Development to individuals or families whose imputed incomes do not exceed an average of **54%** of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated herein by reference for all purposes;

ESTRICTION
The Development Owner has represented to the Department in the Development Owner's Application, authorized by the Department Rules, that among other things, the Development Owner shall lease **78.76%** of the Units in the Development to individuals or families whose imputed incomes do not exceed an average of **FIFTY-FOUR (54%)** of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated herein by reference for all purposes.

INCREASE IN ELIGIBLE BASIS (30% BOOST) (10 TAC §11.4(c)(3)(D) OF THE 2022 QAP
The Development Owner has represented to the Department in the Development Owner's Application, authorized by the Department Rules, that among other things, the Development Owner shall restrict 10% of the low income Units for households at or below 30% of AMGI. The following rent and occupancy restrictions will not be included in the income average calculation identified in the section above:

ADDITIONAL RENT AND OCCUPANCY RESTRICTIONS

INCOME LIMIT	RENT LIMIT	NUMBER OF UNITS
30% OF AMI	30% OF AMI	12

29

29

The LURA: Marketing Requirements

ADDENDUM B TO DECLARATION – ADDITIONAL USE RESTRICTIONS

MARKETING (10 TAC §11.204(1)(G) OF THE 2022 QAP)
For affirmative marketing activities, all affirmative marketing plans must provide affirmative marketing to persons with disabilities. For general marketing activities, the Development Owner will specifically market to veterans through direct marketing or contracts with veteran's organizations. The Development Owner will be required to identify how they will specifically market to veterans and report to the Department in the annual housing report on the results of the marketing efforts to veterans. Exceptions to this requirement must be approved in writing by the Department.

ADDENDUM B TO DECLARATION – ADDITIONAL USE RESTRICTIONS

MARKETING (10 TAC §11.204(1)(G) OF THE 2023 QAP)
For affirmative marketing activities, all affirmative marketing plans must provide affirmative marketing to persons with disabilities. For general marketing activities, the Development Owner will specifically market to veterans through direct marketing or contracts with veteran's organizations and will specifically market to the public housing authority (PHA) waitlists for any PHA in the city and/or county the Development is located within and the PHA of any City within five (5) miles of the Development. The Development Owner will be required to identify how they will specifically market to veterans and the PHA waiting lists and report to the Department in the annual housing report on the results of the marketing efforts to veterans and PHA waiting lists. Exceptions to this requirement must be approved in writing by the Department.

There are **two parts** to this requirement:

1. Affirmative marketing to persons with disabilities.
2. General marketing to veterans & public housing authorities through direct marketing or contracts with applicable organizations.

30

30

Affirmative Marketing Requirements

The purpose of affirmative marketing is to specifically identify potentially eligible tenants and homebuyers who are "least likely to apply" for housing and ensure they are aware of available housing opportunities.

- Marketing efforts must begin 90 days prior to the first building Placed in Service date
- Update the Affirmative Marketing Plan every 5 years
- Conduct Outreach Marketing annually, unless waitlist is closed
- Exception to Affirmative Marketing: Wait List Closed
- Find more information online: https://www.tdhca.texas.gov/fair-housing-tdhca-monitored-properties

31

31

Affirmative Marketing Training and Technical Assistance

For training and technical assistance, or to have your Affirmative Fair Housing Marketing Plan reviewed, please contact the Texas Department of Housing and Community Affairs Fair Housing Division.

Phone: (512) 475-0306
Email: Fair.Housing@tdhca.texas.gov

32

32

The LURA: Learning Point 1

What are the minimum set-asides available in Texas?

A 20/50

B 40/60

C Average Income

D Only B and C

E A, B and C

33

33

The LURA: Learning Point 2

All TDHCA monitored properties are required to market to veterans and public housing authorities?

A True

B False

34

34

The LURA: Learning Point 3

Marketing to veterans and public housing authorities is part of the property's affirmative marketing efforts?

A True

B False

35

35

The LURA: Additional State Rent and Occupancy Requirements

RENT AND OCCUPANCY RESTRICTIONS

INCOME LIMIT	RENT LIMIT	NUMBER OF UNITS
30% OF AMI	30% OF AMI	0
40% OF AMI	40% OF AMI	0
50% OF AMI	50% OF AMI	16
60% OF AMI	60% OF AMI	148
MARKET	MARKET	0

If at recertification the Tenant's household income exceeds the applicable limit, to maintain compliance, the owner agrees to follow recertification guidance in accordance with the Department Rules as amended from time to time

RENT AND OCCUPANCY RESTRICTIONS

INCOME LIMIT	RENT LIMIT	NUMBER OF UNITS
30% OF AMI	30% OF AMI	6
40% OF AMI	40% OF AMI	0
50% OF AMI	50% OF AMI	22
60% OF AMI	60% OF AMI	24
MARKET	MARKET	7

If at recertification the Tenant's household income exceeds the applicable limit, to maintain compliance, the owner agrees to follow recertification guidance in accordance with the Department Rules as amended from time to time

INCREASE IN ELIGIBLE BASIS (30% BOOST) (10 TAC §11.4(C)(3)(D) OF THE 2022 QAP

The Development Owner has represented to the Department in the Development Owner's Application, authorized by the Department Rules, that among other things, the Development Owner shall restrict 10% of the low income Units for households at or below 30% of AMGI. The following rent and occupancy restrictions will not be included in the income average calculation identified in the section above:

ADDITIONAL RENT AND OCCUPANCY RESTRICTIONS

INCOME LIMIT	RENT LIMIT	NUMBER OF UNITS
30% OF AMI	30% OF AMI	12

36

36

The LURA: Additional State Rent and Occupancy Requirements

☒ RENT AND OCCUPANCY RESTRICTIONS

INCOME LIMIT	RENT LIMIT	NUMBER OF UNITS
30% OF AMI	30% OF AMI	6
50% OF AMI	50% OF AMI	52
60% OF AMI	60% OF AMI	57
80% OF AMI	80% OF AMI	3
MARKET	MARKET	26

If at recertification the Tenant's household income exceeds the applicable limit, to maintain compliance, the owner agrees to follow recertification guidance in accordance with the Department Rules as amended from time to time.

RENT AND OCCUPANCY RESTRICTIONS

INCOME LIMIT	RENT LIMIT	NUMBER OF UNITS
30% OF AMI	30% OF AMI	9
40% OF AMI	40% OF AMI	0
50% OF AMI	50% OF AMI	34
60% OF AMI	60% OF AMI	40
MARKET	MARKET	19

If at recertification the Tenant's household income exceeds the applicable limit, to maintain compliance, the owner agrees to follow recertification guidance in accordance with the Department Rules as amended from time to time

If the Development includes Units that are not Low-Income Units (i.e. market rate units), at least 10% of all the Units that are not Low-Income Units must be set aside with incomes at or below 80% of AMI. The Development will set aside 2 of the market rate units for households with income at or below 80% AMI with rents that do not exceed 30% of the income limitation.

- Certify at 80% AMI at move-in only
- No recertification requirement
- No student restrictions

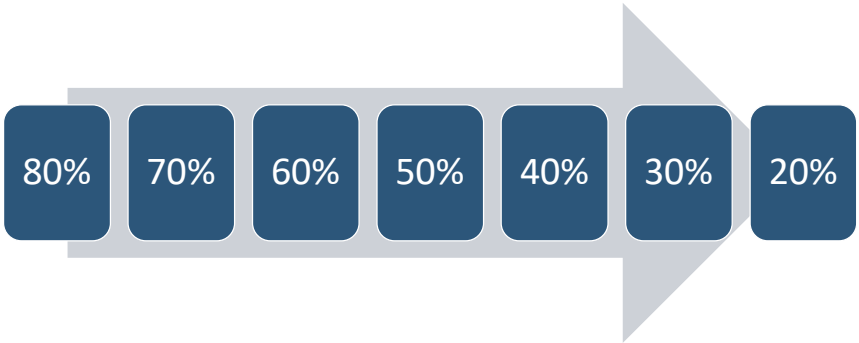
37

37

The LURA: Average Income Restriction – 100% HTC

AVERAGE INCOME RESTRICTION

The Development Owner has represented to the Department in the Development Owner's Application, authorized by the Department Rules, that among other things, the Development Owner shall lease **ONE HUNDRED PERCENT (100%)** of the Units in the Development to individuals or families whose imputed incomes do not exceed an average of **SIXTY PERCENT (60%)** of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated herein by reference for all purposes.



The unit designations must be dispersed across all unit types and throughout the development.

38

38

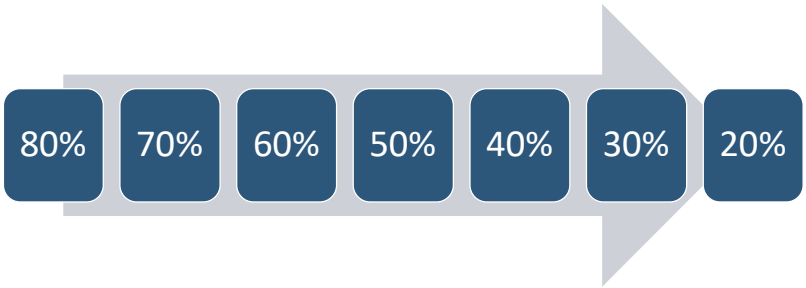
The LURA: Average Income Restriction – Mixed Income

AVERAGE INCOME RESTRICTION
The Development Owner has represented to the Department in the Development Owner's Application, authorized by the Department Rules, that among other things, the Development Owner shall lease **78.76%** of the Units in the Development to individuals or families whose imputed incomes do not exceed an average of **FIFTY-FOUR (54%)** of the area median gross income (including adjustments for family size), as more specifically provided herein, such Application, and the representations and undertakings set forth therein, being incorporated herein by reference for all purposes.

INCREASE IN ELIGIBLE BASIS (30% BOOST) (10 TAC §11.4(C)(3)(D) OF THE 2022 QAP
The Development Owner has represented to the Department in the Development Owner's Application, authorized by the Department Rules, that among other things, the Development Owner shall restrict 10% of the low income Units for households at or below 30% of AMGI. The following rent and occupancy restrictions will not be included in the income average calculation identified in the section above:

ADDITIONAL RENT AND OCCUPANCY RESTRICTIONS

INCOME LIMIT	RENT LIMIT	NUMBER OF UNITS
30% OF AMI	30% OF AMI	12



The unit designations must be dispersed across all unit types and throughout the development.

39

39

LURA: Learning Point 4

Designations are attached to the unit and not the household?

A. False, the designations are attached to the household and can float property-wide

B. True, the designations, once designated at lease-up, are considered fixed and cannot change

C. False, the designations float, but only in the building

D. True, the LURA specifies a required leasing strategy that must be adhered to

40

40

LURA: Learning Point 5

For Average Income, all the 80% units can be prime locations and the largest floorplans?

A. True, the owner needs to make money on those prime units

B. False, designations must be spread throughout the property and unit types

C. True, but only if the owner asked Cara for approval

D. False, 80% is not a real designation, Cara made that up

41

41

The LURA: Longer Compliance Period and/or Extended Use Period

☒ **Longer Compliance Period and Extended Use Period**

The Compliance Period shall be a period of 40 consecutive taxable years and the Extended Use Period shall be a period of 55 consecutive taxable years, each commencing with the first year of the Credit Period.

☒ **Longer Compliance Period and Extended Use Period**

The Compliance Period shall be a period of 15 consecutive taxable years and the Extended Use Period shall be a period of 40 consecutive taxable years, each commencing with the first year of the Credit Period.

LONGER EXTENDED USE PERIOD (10 TAC §11.9(E)(5) OF THE 2022 QAP)

In accordance with the Code, each Development is required to maintain its affordability for a fifteen (15) year Compliance Period and, subject to certain exceptions, an additional fifteen (15) year period. Development Owner indicates below that the Development will extend the affordability period beyond the thirty (30) years required in the Code as follows:

The Development will extend its affordability for 15 years, resulting in an Extended Use Period of 45 years.

☒ LONGER COMPLIANCE PERIOD AND EXTENDED USE PERIOD

In accordance with the Code, each Development is required to maintain its affordability for a 15-year Compliance Period and, subject to certain exceptions, an additional 15-year period. Development Owner indicates below that the Development will extend the affordability period beyond the 30 years required in the Code as follows:

☒ Add 10 years affordability resulting in an Extended Use Period total affordability period of 40 years

If the LURA does not include this or the "box" is not checked, the development does not have an extended period.

42

42

The LURA: Historically Underutilized Business (HUB)

TDHCA notice: HUB Compliance Monitoring Suspension

TDHCA <do-not-reply@tdhca.state.tx.us>
To Cara Pollei

Reply | Reply All | Forward

Tue 11/25/2025 11:32 AM

The Texas Department of Housing and Community Affairs (TDHCA) would like to inform Owners and Agents of Housing Tax Credit developments that the provision for Historically Underutilized Business (HUB) participation will not be monitored due to the "freeze" of the HUB program by the Texas Comptroller of Public Accounts. If monitoring of this provision is reinstated by TDHCA in the future, Owners will be provided Corrective Action Periods in accordance with 10 TAC Section 10.602 to correct non-compliance.

For questions about compliance monitoring, please contact the Director of Multifamily Compliance, Wendy Quackenbush, at wendy.quackenbush@tdhca.texas.gov or by phone at (512) 305-8860.

43

43

The LURA: Material Participation by Nonprofit Organization

MATERIAL PARTICIPATION BY QUALIFIED NONPROFIT ORGANIZATION

Throughout the Compliance Period, the ownership structure of the Development Owner shall contain a Qualified Nonprofit Organization (as defined in Section 42(h)(5)(C) of the Code) with a greater than fifty percent (50%) controlling interest in the General Partner(in the case of a limited partnership, the Qualified Nonprofit Organization must be the Managing General Partner; in the case of a limited liability company, the Qualified Nonprofit Organization must be the controlling managing member). The Qualified Nonprofit Organization shall materially participate (within the meaning of Section 469(h) of the Code) in the development and operation of the Development throughout the Compliance Period, shall have experience directly related to the housing industry, and shall otherwise meet the requirements of Section 42(h)(5) of the Code and Section 2306.6729 and 2306.6706(b) of the Texas Government Code. The Principals of the Qualified Nonprofit Organization cannot be a Related Party to any Principals of the Applicant or Developer unless the Related Party is a wholly-owned subsidiary of the Qualified Nonprofit Organization. At the time this Declaration is filed, the Qualified Nonprofit Organization which shall own such interest and shall so materially participate in the development and operation of the Development is _____. The Development Owner shall notify the Department (i) of any change in the status or role of such organization with respect to the Development and (ii) if such organization is proposed to be replaced by a different Qualified Nonprofit Organization, that Organization must meet the requirements of 42(h)(5) and Section 2306.6729 and 2306.6706(b) of the Texas Government Code at time of transfer; or

Throughout the Extended Use period, a Nonprofit Organization must be involved with the Development Services or in the provision of on-site tenant services but will not qualify the Development as part of the Nonprofit Set-Aside. A Principal of the Nonprofit Organization cannot be a Related Party to any Principal of the Applicant or Developer (excluding another Principal of the Nonprofit Organization). The Development Owner shall notify the Department (i) of any chang
organization is proposed to be replaced by a diff
Nonprofit Organization is _____.

MATERIAL PARTICIPATION BY NONPROFIT ORGANIZATION (10 TAC §11.9(B)(2)(C) OF THE 2022 QAP)

Throughout the Compliance Period, the ownership structure of the Development Owner shall contain a Nonprofit (as defined in Section 42(h)(5)(C) of the Code) with at least 51% ownership in the General Partner (in the case of a limited partnership, the Nonprofit Organization must be the manager of the Managing General Partner; in the case of a limited liability company, the Qualified Nonprofit Organization must be the Manager of the controlling Managing Member). The Nonprofit Organization shall maintain Control of the Development and materially participate (within the meaning of Section 469(h) of the Code) in the operation of the Development throughout the Compliance Period, and shall otherwise meet the requirements of Section 42(h)(5) of the Code. The Development Owner shall notify the Department (i) of any change in the status or role of such organization with respect to the Development and (ii) if such organization is proposed to be replaced by a different Nonprofit Organization, that Organization must meet the requirements of 42(h)(5) and must have at least 10 years' experience in the continuous operation of a Development that provides services similar to those of the Development.

44

44

Nonprofit Material Participation

Confirm Ownership
- Conduct a search on the Secretary of State website
- If unable to identify, will request documentation from owner

In Good Standing
- Secretary of State or IRS will confirm nonprofit status

Material Participation
- Owner must submit a narrative describing material participation
- Providing Supportive Services only is not always sufficient

45

45

The LURA: Elderly Limitation Development

ELDERLY LIMITATION DEVELOPMENT

Throughout the Term, unless otherwise permitted by the Department, this Development must meet the requirements of the Housing for Older Persons Act ("HOPA") under the Federal Fair Housing Act (42 U.S.C. §3601, as amended), receive no funding that requires leasing to persons other than the elderly (unless the funding is from a federal program for which the Secretary of HUD has confirmed that it may operate as a Development that meets the requirements of HOPA), and must be a Development which:

- As determined by the HUD Secretary, is specifically designed and operated to assist elderly persons as defined in and provided under any Federal, State, or local government programs; or
- Is intended for, and solely occupied by persons who are 62 or older; or
- Is intended and operated for occupancy by at least one person 55 years of age or older per Unit, where at least 80% of the total housing Units are occupied by at least one person who is 55 years of age or older; and adheres to policies and procedures which demonstrate an intent by Development Owner and manager to provide housing for persons 55 years of age or older.

46

46

The LURA: Elderly Development

ELDERLY DEVELOPMENT (10 TAC §11.1(D)(47) OF THE 2022 QAP)
This Development receives federal funding that has a requirement for a preference or limitation for elderly persons or households, but must accept qualified households with children. Throughout the Term, unless otherwise permitted by the Department in an amendment to this Declaration, this Development must operate as an Elderly Development as defined by the household definition and age restrictions imposed by the source of its federal assistance:

All **60** Units must contain an Elderly Household, which is defined as a household whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age. This may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides. This includes otherwise qualifying households with minor children. If the Development ceases to receive federal assistance or if the restrictions of the federal assistance are changed, it must notify the Department and may be required to request an amendment to this Declaration.

If the LURA requires the development operate as an Elderly Development during the **Compliance Period**, the owner must contact the Asset Manager to process a LURA Amendment if they wish to continue operating as such. →

☒**Qualified Elderly Developments (2000 and later)**

Throughout the Compliance Period, unless otherwise permitted by the Department, this Development must conform to the Federal Fair Housing Act and must be a Development which:

(i) is intended for, and solely occupied by Persons 62 years of age or older; or

(ii) is intended and operated for occupancy by at least one person 55 years of age or older per unit, where at least 80% of the total housing units are occupied by at least one person who is 55 years of age or older; and adheres to policies and procedures which demonstrate an intent by the owner and manager to provide housing for persons 55 years of age or older.

47

47

The LURA: Elderly Preference Development

ELDERLY PREFERENCE DEVELOPMENT

This Development is an elderly development with an "elderly preference" as defined herein, throughout the Term, unless and until the Project is no longer required to operate under the age restrictions imposed by federal assistance, this Project must operate as an Elderly Preference Development as defined below:

A Household must contain one member 62 years of age or older and accept qualifying Households with children. If the Development ceases to receive federal assistance, it must notify the Department and may be required to request an amendment to this Declaration.

ELDERLY PREFERENCE DEVELOPMENT

This Development is an elderly development with an "elderly preference" as defined herein, throughout the Term, unless and until the Development is no longer required to operate under the age restrictions imposed by federal assistance. This Development must operate as an Elderly Preference Development as defined:.

ELDERLY LIMITATION DEVELOPMENT

Throughout the Term, unless otherwise permitted by the Depar
Persons Act ("HOPA") under the Federal Fair Housing Act (42 U
other than the elderly (unless the funding is from a federal pro
Development that meets the requirements of HOPA), and mus

QUALIFIED ELDERLY DEVELOPMENTS[1]

☒**Qualified Elderly Projects (2000 and later)**

Throughout the Compliance Period, unless otherwise permitted by the Department, this project must conform to the Federal Fair Housing Act and must be a project which:

(i) is intended for, and solely occupied by Persons 62 years of age or older; or

(ii) is intended and operated for occupancy by at least one person 55 years of age or older per unit, where at least 80% of the total housing units are occupied by at least one person who is 55 years of age or older; and adheres to policies and procedures which demonstrate an intent by the owner and manager to provide housing for persons 55 years of age or older.

48

48

The LURA: Mitigation for Schools

MITIGATION FOR SCHOOLS (10 TAC §11.101(A)(3)(D)(III) OF THE 2023 QAP)

Throughout the Affordability Period, the Development Owner commits to operating an after-school learning center that offers at a minimum fifteen (15) hours of weekly, organized, on-site educational services provided to elementary, middle and high school children by a dedicated service coordinator or Third-Party entity which includes at a minimum:

- Homework assistance,
- Tutoring, test preparation,
- Assessment of skill deficiencies and provision of assistance in remediation of those deficiencies (e.g., if reading below grade level is identified for a student, tutoring in reading skills is provided),
- Research and writing skills,
- Providing a consistent weekly schedule,
- Provides for the ability to tailor assistance to the age and education levels of those in attendance, and
- Other evidence-based approaches and activities that are designed to augment classroom performance.

Up to twenty percent (20%) of the activities offered may also include other enrichment activities such as music, art, or technology. The services above cannot be used to count for purposes of meeting the threshold requirements for Resident Supportive Services in 10 TAC §11.9(C)(3)(A) and 10 TAC §11.101(B)(7) of the 2023 QAP.

49

49

LURA: Supportive Services

RESIDENT SUPPORTIVE SERVICES (10 TAC §11.9(C)(3)(A) AND 10 TAC §11.101(B)(7) OF THE 2023 QAP)

The Development Owner has been awarded points based on providing a combination of supportive services appropriate for the proposed residents through the Extended Use Period. The Development Owner may change, from time to time, the services offered; however, the overall points must remain the same. **No fees may be charged to the tenant for providing these services.** Unless otherwise specified, services must be provided on-site or transportation to those off-site services identified on the list must be provided, the services should be those that directly benefit the Target Population of the Development, there must be adequate space for the intended services, and services offered should be accessible to all (e.g., exercise classes must be offered in a manner that would enable a person with a disability to participate). Services are intended to be provided by a qualified and reputable provider in the specified industry such that the experience and background of the provider demonstrates sufficient knowledge to be providing the service. In general, on-site leasing staff or property maintenance staff would not be considered a qualified provider. Where applicable, the services must be documented by a written agreement with the provider. Unless otherwise noted, courses and services must be offered by an onsite instructor(s). Tenants must be provided written notice of the resident services elections made by the Development Owner. Development Owner must provide at **a minimum eight (8) total points worth of services** from the following list (the same service may not be used for more than one (1) scoring item):

(A) Transportation Supportive Services include:
- Shuttle, at least three (3) days a week, to a grocery store and pharmacy or a major, big-box retailer that includes a grocery store and pharmacy, OR a daily shuttle, during the school year, to and from nearby schools not served by a school bus system for children who live at the Development (3.5 points); and
- Monthly transportation to community/social events such as mall trips, community theatre, bowling, organized tours, etc. (1 point).

(B) Children Supportive Services include:
- Twelve (12) hours of weekly, organized, on-site services provided to K-12 children by a dedicated service coordinator or third-party entity. Services include after-school and summer care and tutoring, recreational activities, character building programs, mentee opportunities, test preparation, and similar activities that promote the betterment and growth of children and young adults (3.5 points).

(C) Adult Supportive Services include:
- Four (4) hours of weekly, organized, in-person, hybrid, or virtual classes accessible to participants from a common area on site to an adult audience by persons skilled or trained in the subject matter being presented, such as English as a second language classes, computer training, financial literacy courses, homebuyer counseling, health education courses, certification courses, GED preparation classes, resume and interview preparatory classes, general presentations about community services and resources, and any other course, class, or presentation that may equip residents with new skills that they may wish to develop (3.5 points);
- Annual income tax preparation (offered by an income tax prep service) or IRS-certified VITA (Volunteer Income Tax Assistance) program (offered by a qualified individual) that also emphasizes how to claim the Earned Income Tax Credit (1 point);
- Contracted career training and placement partnerships with local work source offices, culinary programs, or vocational counseling services; may include resident training programs that train and hire residents for job opportunities inside the development in areas like leasing, tenant services, maintenance, landscaping, or food and beverage operation (2 points); and
- External partnerships for provision of weekly substance abuse meetings at the Development Site (1 point).
- For the duration of the Affordability Period, reporting rent payments to credit bureaus for any resident who affirmatively elects to participate (2 points).

(D) Health Supportive Services include:
- Food pantry consisting of an assortment of non-perishable food items and common household items (i.e., laundry detergent, toiletries, etc.) accessible to residents at least on a monthly basis or upon request by a resident. While it is possible that transportation may be provided to a local food bank to meet the requirement of this resident service, the resident must not be required to pay for the items they receive at the food bank (2 points);
- Annual health fair provided by a health care professional (1 point);
- Weekly exercise classes (offered at times when most residents would be likely to attend) (2 points); and
- Contracted onsite occupational or physical therapy services for Elderly Developments or Developments where the service is provided for Persons with Disabilities and documentation to that effect can be provided for monitoring purposes (2 points).

(E) Community Supportive Services include:
- Partnership with local law enforcement or local first responders to provide quarterly on-site social and interactive activities intended to foster relationships with residents (such activities could include playing sports, having a cook-out, swimming, card games, etc.) (2 points);
- Notary Services during regular business hours (§2306.6710(b)(3)) (1 point);
- Twice monthly arts, crafts, and other recreational activities (e.g. Book Clubs and creative writing classes) (1 point);

DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR HOUSING TAX CREDITS
THE APARTMENT COMPLEX / TDHCA # 25001 PAGE 19

How can you bee successful with Supportive Services?

Read the LURA!

50

50

Who, What, Where and When of Supportive Services

- Who?
  - The LURA outlines **who** is required to conduct the Supportive Services.
- What?
  - The LURA outlines **what** services are required for the specific development and program.
- Where?
  - The LURA indicates **where** the services may be conducted.
    - Generally, this will be on-site at the development or require that transportation is provided at no cost when the services are offered off-site.
- When?
  - The LURA dictates **when** a service is to be offered; daily, weekly, monthly, quarterly, annually, etc.

51

51

Who provides the Supportive Services? continued

☒ **Tenant Supportive Services**

☒ Coordination with State Programs. **(2006 and 2007 allocations only)** The Development Owner agrees to coordinate their tenant services with those services provided through state workforce development and welfare programs.

☒ The Development Owner will provide a combination of special supportive services appropriate for the proposed tenants. The provision of supportive services will be selected from the list of services identified below. No fee may be charged to tenants for any of the services. Services will be provided on-site or transportation to off-site services must be provided. (2006, 2007 and 2008 allocations)

A. Number of Services. Owner must provide, at a minimum, six of the following number of services from the list in paragraph B:

B. Service options include: Child care; transportation; basic adult education; legal assistance; counseling services; GED preparation; English as a second language classes; vocational training; home buyer education; credit counseling; financial planning assistance or courses; health screening services; health and nutritional courses; organized team sports programs, youth programs; scholastic tutoring; any other programs described under Title IV-A of the Social Security Act (42 U.S.C. §§ 601 et seq.) which enables children to be cared for in their homes or the homes of relatives; ends the dependence of needy families on government benefits by promoting job preparation, work and marriage; prevents and reduces the incidence of out of wedlock pregnancies; and encourages the formation and maintenance of two-parent families; any other services addressed by 2306.254 of Texas Government Code; or any other services approved in writing by the Department.

If your program was awarded in 2006 or 2007 your LURA may have the highlighted requirement to coordinate the tenant services through state workforce development and welfare programs.

You will need to reach out to those agencies in your area and coordinate the Supportive Services through those agencies to be compliant with the requirements of the LURA.

52

52

Where are the Supportive Services to be held?

PROVISION OF SUPPORTIVE SERVICES/PROVISION OF TENANT SERVICES

The Development Owner has been awarded points based on providing a combination of special supportive services appropriate for the proposed tenants through the Extended Use Period. The Development Owner may change, from time to time, the services offered; however, the overall points must remain the same. **No rent or fees may be charged to the tenant for providing these services.** Services must be provided on-site or transportation to off-site services must be provided, there must be adequate space for the intended services, and services offered should be accessible to all. Tenants must be provided written notice of the elections made by the Development Owner. Owner must provide at a **minimum _____ total points worth of services (maximum of 9 points; 10 for a Supportive Housing Development proposed by a Qualified Nonprofit)** from the following list (the same service may not be used for more than one scoring item):

RESIDENT SUPPORTIVE SERVICES (10 TAC §11.9(C)(3)(A) AND 10 TAC §11.101(B)(7) OF THE 2023 QAP)

The Development Owner has been awarded points based on providing a combination of supportive services appropriate for the proposed residents through the Extended Use Period. The Development Owner may change, from time to time, the services offered; however, the overall points must remain the same. **No fees may be charged to the tenant for providing these services.** Unless otherwise specified, services must be provided on-site or transportation to those off-site services identified on the list must be provided, the services should be those that directly benefit the Target Population of the Development, there must be adequate space for the intended services, and services offered should be accessible to all (e.g., exercise classes must be offered in a manner that would enable a person with a disability to participate). Services are intended to be provided by a qualified and reputable provider in the specified industry such that the experience and background of the provider demonstrates sufficient knowledge to be providing the service. In general, on-site leasing staff or property maintenance staff would not be considered a qualified provider. Where applicable, the services must be documented by a written agreement with the provider. Unless otherwise noted, courses and services must be offered by an onsite instructor(s). Tenants must be provided written notice of the resident services elections made by the Development Owner. Development Owner must provide at a **minimum 8 total points worth of services** from the following list (the same service may not be used for more than one (1) scoring item):

53

53

How Long do Supportive Services Have to be Provided?

- Supportive Services must be provided as long as the LURA requires.
  - Throughout the Compliance Period…
    - If the Compliance Period has been extended, then Services must be offered throughout.
  - Throughout the Extended Use Period…

PROVISION OF SUPPORTIVE SERVICES

The Development … appropriate for the proposed … offered; however, … **ervices.**

☒ **Supportive Services**

Throughout the Compliance Period, unless otherwise permitted by the Department, a Local Tax Exempt Organization shall

☒ **Longer Compliance Period and Extended Use Period**

The Compliance Period shall be a period of 25 consecutive taxable years and the Extended Use Period shall be a period of 40 consecutive taxable years, each commencing with the first year of the Credit Period.

54

54

LURA: Supportive Services – Outreach & Education

PROVISION OF SUPPORTIVE SERVICES – OUTREACH & EDUCATION

The Development Owner was awarded an additional point for certifying that the Development will contact local nonprofit and governmental providers of services that would support the health and well-being of the Department's tenants, and will make the Development community space available to them on a regularly-scheduled basis to provide outreach services and education to the tenants. The Development Owner may contact service providers on the Department list or contact other providers that serve the general area in which the Development is located.

55

55

LURA: Learning Point 6

If the residents do not attend the service offered, that supportive service no longer needs to be offered?

A True

B False

56

56

LURA: Learning Point 7

How long do Supportive Services need to be offered?

A. Throughout the Compliance Period

B. Throughout the Extended Use Period

C. Depends on the LURA

57

57

LURA: Learning Point 8

If the property's elderly election is for the compliance period, will we need a LURA Amendment to continue this election after the compliance period, Federal and Extended, to continue as elderly?

A. Yes, contact the asset manager

B. No, the owner can do what they want

C. The property can begin leasing to the general public after the compliance period

58

58

The LURA: Special Housing Needs

TENANT POPULATIONS WITH SPECIAL HOUSING NEEDS (10 TAC§11.9(c)(6) OF THE 2022 QAP)

At least five percent (5%) of Units must be initially set aside for households where one (1) individual meets the definition of "Persons with Special Needs". "Persons with Special Needs may not be the same Units participating in the Section 811 Project Rental Assistance program and include all of the following:

- a "person with disability," as defined in 24 CFR §5.403; or
- has alcohol or drug addictions; or
- is a Colonia resident; or
- is a victim of domestic violence, dating violence, sexual assault, or stalking (as defined by the Violence Against Women Reauthorization Act of 2013 (42 U.S.C. §13925 et seq.)); or
- has HIV/AIDS; or
- is homeless; or
- is a veteran; or
- is a farmworker.

- The Development must have an initial minimum twelve (12)-month period during which Units must either be occupied by Persons with Special Needs or held vacant unless the Unit receives HOME funds from any source. The twelve (12)-month period will begin on the date each building receives its certificate of occupancy. For buildings that do not receive a certificate of occupancy, the twelve (12) month period will begin on the placed in service date as provided in the Post Award Activities Manual. After the twelve (12)-month period, the Development Owner will no longer be required to hold Units vacant for Persons with Special Needs, but will be required to continue to specifically market Units to Persons with Special Needs throughout the Compliance Period, unless specifically allowed otherwise by the Department in writing;
- The Development must commit at least an additional 2% of the total Units to Persons referred from the Continuum of Care or local homeless services providers for persons experiencing homelessness. The Department requires an initial **12**-month period (beginning on the same date as defined in the preceding section) during which Units must either be occupied by households referred from the Continuum of Care or local homeless services providers or held vacant, unless the Unit receives HOME funds from any source. Rejection of an applicant's tenancy for those referred may not be for reasons of credit history or prior rental payment history. The Development Owner is required to continue to provide quarterly notifications throughout the Compliance Period regarding available Units at the Development to the Continuum of Care and other homeless service providers local to the Development, unless specifically otherwise allowed by the Department in writing (1 point).

59

59

The LURA: Learning Point 9

What is the correct statement about the Special Needs units and requirements?

A. May be the same as the Mobility and Visual Impaired Units

B. Must be held vacant, unless occupied by Special Needs Households, during the time period specified in the LURA

C. Must be affirmatively marketed during the entire affordability period

D. All of the above

E. None of the above

60

60

The LURA: Learning Point 10

The 12 months to hold special needs/CoC units vacant begins the day of the LURA execution?

A. No
B. It begins the date the building is placed in service
C. The 12-month period begins on the date each building receives its certificate of occupancy
D. I am not sure
E. None of the above

61

61

The LURA: Veteran Identification in Tenant Applications

Beginning January 1, 2021, all Applications were to include an option for applicants to indicate if they are a veteran and the statement as outlined below. The newest LURA version includes this as a LURA requirement; however, this is a requirement for all TDHCA developments.

VETERAN IDENTIFICATION IN TENANT APPLICATIONS (SECTION 434.214, TX GOV'T CODE)
The tenant applications must provide a space for applicants to indicate if they are a veteran. In addition, the application must include the following statement: "Important Information for Former Military Services Members. Women and men who served in any branch of the United States Armed Forces, including Air Force, Army, Navy, Marines, Coast Guard, Reserves or National Guard, may be eligible for additional benefits and services. For more information please visit the Texas Veterans Portal at https://veterans.portal.texas.gov/.

62

62

LURA: Learning Point 11

The LURA for the development does not require Veteran Identification in Tenant Applications. This means the application for the development does not have to ask the question and have the statement?

A True

B False

63

63

The LURA: Applicable Fraction

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)		MINIMUM APPLICABLE FRACTION
1.	TX-23-20901		100%
2.	TX-23-20902		100%

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)		MINIMUM APPLICABLE FRACTION
1.	TX-22-27801		96.00%
1.	TX-22-27802		81.88%

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)		MINIMUM APPLICABLE FRACTION
1.	TX-23-45501		100%
2.	TX-23-45502		100%
3.	TX-23-45503		100%
4.	TX-23-45504		100%
5.	TX-23-45505		100%
6.	TX-23-45506		100%
7.	TX-23-45507		100%
8.	TX-23-45508		100%

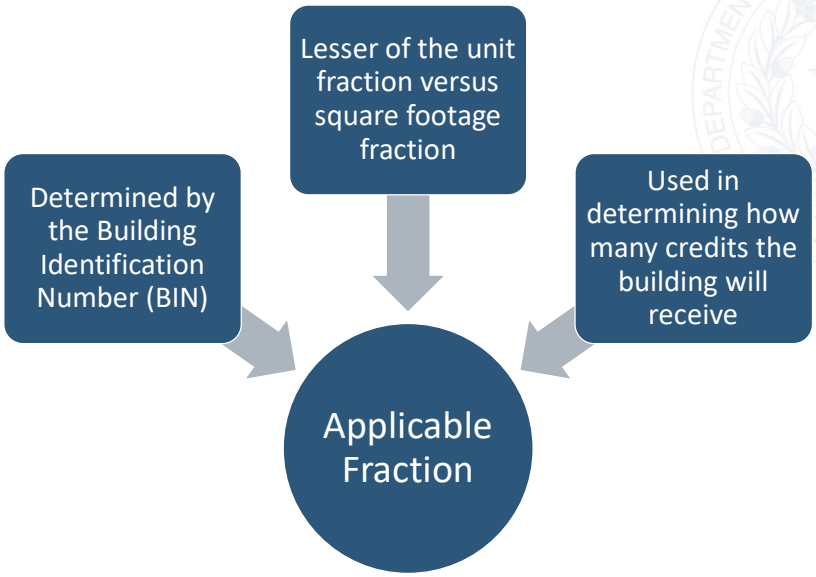
ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)		MINIMUM APPLICABLE FRACTION
1.	TX-22-05301		79.07%
2.	TX-22-05302		83.33%
3.	TX-22-05303		62.67%
4.	TX-22-05304		79.19%
5.	TX-22-05305		86.23%

64

64

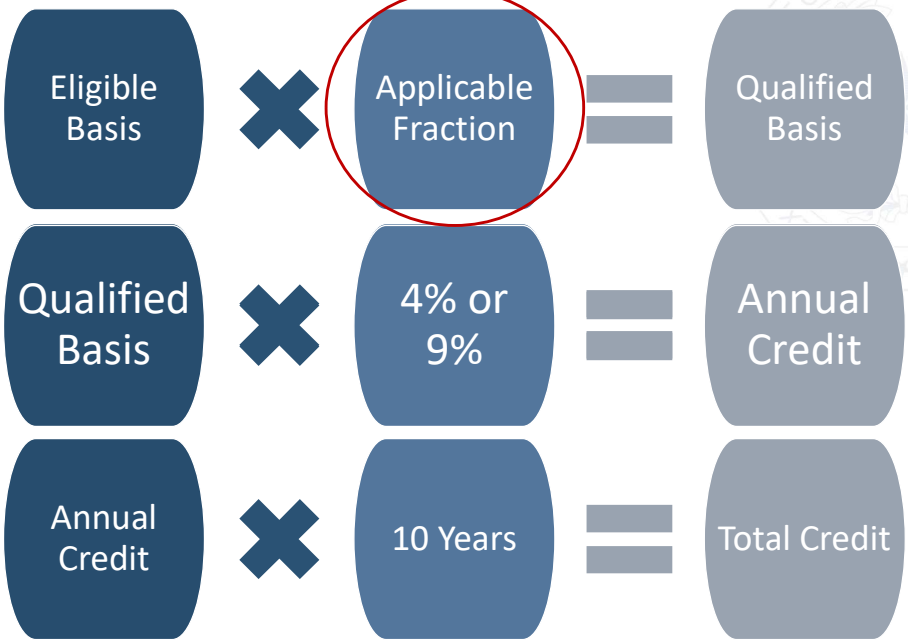
Applicable Fraction



65

65

Applicable Fraction to Determine Qualified Basis



66

66

How to Calculate Applicable Fraction

Unit Fraction

Number of Low-Income Units
Total Number of Units

Square Footage Fraction

Square Footage of Low-Income Units
Square Footage of Total Units

67

67

Applicable Fraction: 100% HTC

Unit Fraction

24
24

= 100%

Square Footage Fraction

15,600
15,600

= 100%

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)	MINIMUM APPLICABLE FRACTION
1	TX-23-20901	100%
2	TX-23-20902	100%

Building Type	1	2
Floors/Stories	5	5
Number of Bldgs	1	1
Units per Bldg	24	54
Total Units	24	54

Building 1: All 1-bedroom units at 650 sq. feet
Building 2: 25 2-bedroom units at 800 sq. feet and 29 3-bedroom units at 1,000 sq. feet

Building 1: 24 x 650 sq. feet = **15,600 total**
Building 2: 25 x 800 sq. feet = 20,000 and 29 x 1,000 sq. feet = 29, 000
20,000 + 29,000 = **49,000 total**

68

68

Applicable Fraction: 100% HTC with an Exempt Unit

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)	MINIMUM APPLICABLE FRACTION
1.	TX-23-20901	100%
2.	TX-23-20902	100%

Building Type	1	2
Floors/Stories	5	5
Number of Bldgs	1	1
Units per Bldg	24	54
Total Units	24	54

Unit Fraction

53 / 53

= 100%

Square Footage Fraction

48,000 / 48,000

= 100%

Building 1: All 1-bedroom units at 650 sq. feet
Building 2: 25 2-bedroom units at 800 sq. feet and 29 3-bedroom units at 1,000 sq. feet

Building 1: 24 x 650 sq. feet = **15,600 total**
Building 2: 25 x 800 sq. feet = 20,000 and 29 x 1,000 sq. feet = 29, 000
20,000 + 29,000 = **49,000 total**

Maintenance Supervisor lives onsite in a 3-bedroom unit

69

69

Applicable Fraction: Mixed Income – Unit Fraction

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)	MINIMUM APPLICABLE FRACTION
1.	TX-22-27801	96.00%
1.	TX-22-27802	81.88%

LIHTC Units	Total Units	LIHTC Sq.Ft.	Total Sq.Ft.
24	25	18,424	19,124
28	34	20,818	25,424
52	59	39,242	44,548

Unit Fraction

24 / 25

= 96%

Square Footage Fraction

18,424 / 19,124

= 96.34%

Building 1: 25 Total Units; 24 HTC Units
Building 2: 34 Total Units; 28 HTC Units

Building 1: 18,424 HTC sq. feet & **19,124 total**
Building 2: 20,818 HTC sq. feet & **25,424 total**

70

70

Applicable Fraction: Mixed Income – Square Footage

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)	MINIMUM APPLICABLE FRACTION
1.	TX-22-27801	96.00%
1.	TX-22-27802	81.88%

	LIHTC Units	Total Units	LIHTC Sq.Ft.	Total Sq.Ft.
	24	25	18,424	19,124
	28	34	20,818	25,424
	52	59	39,242	44,548

Unit Fraction

28

34

= 82.35%

Square Footage Fraction

20,818

25,424

= 81.88%

Building 1: 25 Total Units; 24 HTC Units
Building 2: 34 Total Units; 28 HTC Units

Building 1: 18,424 HTC sq. feet & **19,124 total**
Building 2: 20,818 HTC sq. feet & **25,424 total**

71

71

Applicable Fraction: Mixed Income with Exempt Unit

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)	MINIMUM APPLICABLE FRACTION
1.	TX-22-27801	96.00%
1.	TX-22-27802	81.88%

	LIHTC Units	Total Units	LIHTC Sq.Ft.	Total Sq.Ft.
	24	25	18,424	19,124
	28	34	20,818	25,424
	52	59	39,242	44,548

Unit Fraction

22

23

Square Footage Fraction

16,618

17,318

Building 1: 25 Total Units; 24 HTC Units
Building 2: 34 Total Units; 28 HTC Units

Building 1: 18,424 HTC sq. feet & **19,124 total**

The Manager and Maintenance Supervisor live onsite, both in 2-bedrooms at 903 sq. feet

5,424 total

Uh oh, We have noncompliance!

72

72

Applicable Fraction: Building 5

75%

6

8

77.78%

7,000

9,000

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)	MINIMUM APPLICABLE FRACTION
1.	TX-22-05301	79.07%
2.	TX-22-05302	83.33%
3.	TX-22-05303	62.67%
4.	TX-22-05304	79.19%
5.	TX-22-05305	75.00%

4-Bedroom units are 1,500 sq. feet and 3-Bedroom units are 1,000 sq. feet

Building BIN #	Building #	UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	# BRs	HH SIZE	UNIT QUALIFICATIONS
TX0020604	5	511	07/03/2025		Abba	$ 57,600.00	$ 1,450.00	$ 327.00	4	4	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	512	10/26/2023		Beatle	$ 52,575.00	$ 1,500.00	$ 327.00	4	7	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	513	06/06/2025		Stone	$ 44,320.00	$ 1,199.00	$ 287.00	3	4	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	514	12/23/2024		Santana	$ 29,505.00	$ 1,200.00	$ 287.00	3	4	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	521	02/16/2024		Beach	$ 66,068.00	$ 1,351.00	$ 287.00	3	5	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	522	03/29/2025		Creedence	$ 55,295.00	$ 1,351.00	$ 287.00	3	4	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	523	01/02/2018		Byrd	$ 43,521.00	$ 1,351.00	$ 287.00	3	4	Income LIHTC: Market Rent LIHTC: Market
TX0020604	5	524	04/03/2025		Bread	$ 72,585.00	$ 1,351.00	$ 287.00	3	4	Income LIHTC: Market Rent LIHTC: Market

73

73

Applicable Fraction: Building 5 with an Over Income Unit

62.5%

5

8

66.67%

6,000

9,000

Uh oh, We have noncompliance!

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

4.	TX-22-05304	79.19%
5.	TX-22-05305	75.00%

4-Bedroom units are 1,500 sq. feet and 3-Bedroom units are 1,000 sq. feet

Building BIN #	Building #	UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	# BRs	TC DATE	UNIT QUALIFICATIONS
TX0020604	5	511	07/03/2025		Abba	$57,600.00	$ 1,450.00	$327.00	4	07/03/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	512	10/26/2023		Beatle	$52,575.00	$ 1,500.00	$327.00	4	10/26/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	513	06/06/2025		Stone	$44,320.00	$ 1,199.00	$287.00	3	06/06/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	514	12/23/2024		Santana	$29,505.00	$ 1,200.00	$287.00	3	12/23/2024	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	521	02/16/2024		Beach	$66,068.00	$ 1,351.00	$287.00	3	02/16/2025	Income LIHTC: OI Rent LIHTC: OI
TX0020604	5	522	03/29/2025		Creedence	$55,295.00	$ 1,351.00	$287.00	3	03/29/2025	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	523	01/02/2018		Byrd	$43,521.00	$ 1,351.00	$287.00	3	01/02/2025	Income LIHTC: Market Rent LIHTC: Market
TX0020604	5	524	04/03/2025		Bread	$72,585.00	$ 1,351.00	$287.00	3	04/03/2025	Income LIHTC: Market Rent LIHTC: Market

74

74

Applicable Fraction: Building 5 with an Over Income Unit

75%

6

8

77.78%

7,000

9,000

We have corrected the noncompliance!

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

4.	TX-22-05304		79.19%
5.	TX-22-05305		75.00%

4-Bedroom units are 1,500 sq. feet and 3-Bedroom units are 1,000 sq. feet

Building BIN #	Building #	UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	# BRs	TIC DATE	UNIT QUALIFICATIONS
TX0020604	5	511	07/03/2025		Abba	$57,600.00	$ 1,450.00	$327.00	4	07/03/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	512	10/26/2023		Beatle	$52,575.00	$ 1,500.00	$327.00	4	10/26/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	513	06/06/2025		Stone	$44,320.00	$ 1,199.00	$287.00	3	06/06/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	514	12/23/2024		Santana	$29,505.00	$ 1,200.00	$287.00	3	12/23/2024	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	521	02/16/2024		Beach	$66,068.00	$ 1,351.00	$287.00	3	02/16/2025	Income LIHTC: Market Rent LIHTC: Market
TX0020604	5	522	03/29/2025		Creedence	$55,295.00	$ 1,351.00	$287.00	3	03/29/2025	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	523	12/1/2025		Garfunkel	$19,632.00	$ 1,351.00	$287.00	3	12/1/2025	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	524	04/03/2025		Bread	$72,585.00	$ 1,351.00	$287.00	3	04/03/2025	Income LIHTC: Market Rent LIHTC: Market

75

75

Module 3

Form 8609: Low-Income Housing Credit Allocation and Certification

76

76

Form 8609: When are they issued?

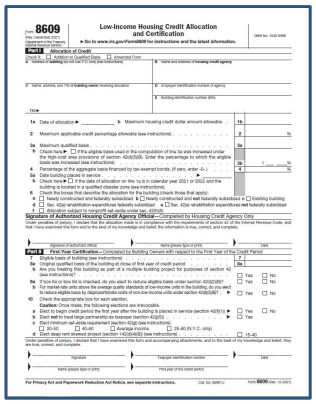
Forms 8609 are issued after:

Cost Certification is Completed

First Monitoring Review is Completed

Final Construction is Completed

Owners must submit IRS Form(s) 8609 with Part II complete through CMTS by the second monitoring review. If an owner elects to group buildings together into one or more multiple building projects, the owner must attach a statement identifying the buildings within the project.



77

77

Forms 8609: Part I – Building Identification Number (BIN) & Allocation

Form **8609** (Rev. December 2021) Department of the Treasury Internal Revenue Service

Low-Income Housing Credit Allocation and Certification

▶ Go to *www.irs.gov/Form8609* for instructions and the latest information.

OMB No. 1545-0988

Part I Allocation of Credit

Check if: ☐ Addition to Qualified Basis ☐ Amended Form

A Address of **building** (do not use P.O. box) (see instructions)

The Development
301 E Austin St
Austin, TX 78721

B Name and address of **housing credit agency**

Texas Dept. of Housing and Community Affairs
221 E 11th St
Austin, TX 78701

C Name, address, and TIN of **building owner** receiving allocation

Extraordinary Owner Person
3130 Beauregard Ave
Austin, TX 78725
TIN ▶ 75-0165960

D Employer identification number of agency

74-2010542

E Building identification number (BIN)

TX-24-21801

1a	Date of allocation ▶ 12/16/2024 b Maximum housing credit dollar amount allowable	1b	274,327
2	Maximum applicable credit percentage allowable (see instructions)	2	9.00%
3a	Maximum qualified basis	3a	2,740,327
b	Check here ▶ ☐ if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)	3b	1 3 0 %
4	Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)	4	0.00%
5a	Date building placed in service ▶ 12/17/2025		
b	Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or 2022 and the building is located in a qualified disaster zone (see instructions).		

6 Check the boxes that describe the allocation for the building (check those that apply):

a ☐ Newly constructed and federally subsidized **b** ☑ Newly constructed and **not** federally subsidized **c** ☐ Existing building
d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized **e** ☐ Sec. 42(e) rehabilitation expenditures **not** federally subsidized
f ☐ Allocation subject to nonprofit set-aside under sec. 42(h)(5)

Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

▶ Signature of authorized official ▶ for example purposes only - not real forms (Name (please type or print)) ▶ Date

78

78

Forms 8609: Date of Allocation

Determining Initial Date of Allocation

Activity	Initial Date of Allocation
9% Credit	Date Carryover Agreement signed by the Department
4% Credit	Effective date of the Determination Agreement
TCAP	Same date as accompanied credit
Exchange	Effective date of the Sub-Award Agreement

79

79

Forms 8609: Part I – Credit Percentage; 9%

Form **8609** (Rev. December 2021) Department of the Treasury Internal Revenue Service

Low-Income Housing Credit Allocation and Certification

▶ Go to *www.irs.gov/Form8609* for instructions and the latest information.

OMB No. 1545-0988

Part I **Allocation of Credit**

Check if: ☐ Addition to Qualified Basis ☐ Amended Form

A Address of **building** (do not use P.O. box) (see instructions)
The Development
301 E Austin St
Austin, TX 78721

B Name and address of **housing credit agency**
Texas Dept. of Housing and Community Affairs
221 E 11th St
Austin, TX 78701

C Name, address, and TIN of **building owner** receiving allocation
Extraordinary Owner Person
3130 Beauregard Ave
Austin, TX 78725
TIN ▶ 75-0165960

D Employer identification number of agency
74-2610542

E Building identification number (BIN)
TX-24-21801

1a	Date of allocation ▶ 12/16/2024 b Maximum housing credit dollar amount allowable	1b	274,327
2	Maximum applicable credit percentage allowable (see instructions)	2	9.00%
3a	Maximum qualified basis	3a	2,740,327
b	Check here ▶ ☐ if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)	3b	1 3 0 %
4	Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)	4	0.00%
5a	Date building placed in service ▶ 12/17/2025		
b	Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or 2022 and the building is located in a qualified disaster zone (see instructions).		

6 Check the boxes that describe the allocation for the building (check those that apply):
a ☐ Newly constructed and federally subsidized b ☑ Newly constructed and **not** federally subsidized c ☐ Existing building
d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized e ☐ Sec. 42(e) rehabilitation expenditures **not** federally subsidized
f ☐ Allocation subject to nonprofit set-aside under sec. 42(h)(5)

Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

▶ Signature of authorized official ▶ for example purposes only - not real forms Name (please type or print) ▶ Date

80

80

Form 8609: Part I – Credit Percentage; 4%

1a	Date of allocation ▶ _____ b Maximum housing credit dollar amount allowable	1b	45,000
2	Maximum applicable credit percentage allowable (see instructions)	2	3.830%
3a	Maximum qualified basis	3a	500,000
b	Check here ▶ ☐ if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)	3b	1 0 0 %
4	Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)	4	51%
5a	Date building placed in service ▶ 1/15/2020		
b	Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or 2022 and the building is located in a qualified disaster zone (see instructions).		

6 Check the boxes that describe the allocation for the building (check those that apply):

a ☐ Newly constructed and federally subsidized b ☑ Newly constructed and **not** federally subsidized c ☐ Existing building

d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized e ☐ Sec. 42(e) rehabilitation expenditures **not** federally subsidized

f ☑ Allocation subject to nonprofit set-aside under sec. 42(h)(5)

81

81

Forms 8609: Part I – Placed in Service Date (PISD)

Form **8609** (Rev. December 2021) Department of the Treasury Internal Revenue Service

Low-Income Housing Credit Allocation and Certification

▶ Go to *www.irs.gov/Form8609* for instructions and the latest information.

OMB No. 1545-0988

Part I Allocation of Credit

Check if: ☐ Addition to Qualified Basis ☐ Amended Form

A Address of **building** (do not use P.O. box) (see instructions)
The Development
301 E Austin St
Austin, TX 78721

B Name and address of **housing credit agency**
Texas Dept. of Housing and Community Affairs
221 E 11th St
Austin, TX 78701

C Name, address, and TIN of **building owner** receiving allocation
Extraordinary Owner Person
3130 Beauregard Ave
Austin, TX 78725
TIN ▶ 75-0165960

D Employer identification number of agency
74-2610542

E Building identification number (BIN)
TX-24-21801

1a	Date of allocation ▶ 12/16/2024 b Maximum housing credit dollar amount allowable	1b	274,327
2	Maximum applicable credit percentage allowable (see instructions)	2	9.00%
3a	Maximum qualified basis	3a	2,740,327
b	Check here ▶ ☐ if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)	3b	1 3 0 %
4	Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)	4	0.00%
5a	Date building placed in service ▶ 12/17/2025		
b	Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or 2022 and the building is located in a qualified disaster zone (see instructions).		

6 Check the boxes that describe the allocation for the building (check those that apply):

a ☐ Newly constructed and federally subsidized b ☑ Newly constructed and **not** federally subsidized c ☐ Existing building

d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized e ☐ Sec. 42(e) rehabilitation expenditures **not** federally subsidized

f ☐ Allocation subject to nonprofit set-aside under sec. 42(h)(5)

Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

▶ _____ Signature of authorized official ▶ for example purposes only - not real forms Name (please type or print) ▶ _____ Date

82

82

Forms 8609: Placed in Service Date

New Construction

- Certificate of Occupancy (CO)
- Including Temporary CO if issued

Acquisition

- Date Building is Acquired
- Settlement Statement for the Transfer of the Property (closing statement)

Rehab

- Accounting function based on aggregate expenditures over a 24-month period

83

83

Forms 8609: Part I – Building Type: New or Existing

Form **8609** (Rev. December 2021) Department of the Treasury Internal Revenue Service

Low-Income Housing Credit Allocation and Certification

▶ Go to *www.irs.gov/Form8609* for instructions and the latest information.

OMB No. 1545-0988

Part I Allocation of Credit

Check if: ☐ Addition to Qualified Basis ☐ Amended Form

A Address of **building** (do not use P.O. box) (see instructions)
The Development
301 E Austin St
Austin, TX 78721

B Name and address of **housing credit agency**
Texas Dept. of Housing and Community Affairs
221 E 11th St
Austin, TX 78701

C Name, address, and TIN of **building owner** receiving allocation
Extraordinary Owner Person
3130 Beauregard Ave
Austin, TX 78725
TIN ▶ 75-0165960

D Employer identification number of agency
74-2610542

E Building identification number (BIN)
TX-24-21801

1a	Date of allocation ▶ 12/16/2024 b Maximum housing credit dollar amount allowable	1b	274,327
2	Maximum applicable credit percentage allowable (see instructions)	2	9.00%
3a	Maximum qualified basis	3a	2,740,327
b	Check here ▶ ☐ if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions)	3b	1 3 0 %
4	Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-.)	4	0.00%
5a	Date building placed in service ▶ 12/17/2025		
b	Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or 2022 and the building is located in a qualified disaster zone (see instructions).		

6 Check the boxes that describe the allocation for the building (check those that apply):
a ☐ Newly constructed and federally subsidized b ☑ Newly constructed and **not** federally subsidized c ☐ Existing building
d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized e ☐ Sec. 42(e) rehabilitation expenditures **not** federally subsidized
f ☐ Allocation subject to nonprofit set-aside under sec. 42(h)(5)

Signature of Authorized Housing Credit Agency Official – Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

▶ Signature of authorized official ▶ for example purposes only - not real forms Name (please type or print) ▶ Date

84

84

Forms 8609: Part I – Nonprofit Set-Aside

6 Check the boxes that describes the allocation for the building (check those that apply):
a ☐ Newly constructed and federally subsidized b ☑ Newly constructed and not federally subsidized c ☐ Existing Building
d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized e ☐ Sec. 42(e) rehabilitation expenditures not federally subsidized
f ☑ Allocation subject to nonprofit set-aside under sec. 42(h)(5)

6 Check the boxes that describes the allocation for the building (check those that apply):
a ☑ Newly constructed and federally subsidized b ☐ Newly constructed and not federally subsidized c ☐ Existing Building
d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized e ☐ Sec. 42(e) rehabilitation expenditures not federally subsidized
f ☐ Allocation subject to nonprofit set-aside under sec. 42(h)(5)

85

85

Forms 8609: Part II – Eligible Basis

Part II **First-Year Certification**—Completed by Building Owners with respect to the First Year of the Credit Period

7	Eligible basis of building (see instructions)	7	2,470,327
8a	Original qualified basis of the building at close of first year of credit period	8a	2,470,327
b	Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	☑ Yes	☐ No
9a	If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	☐ Yes	☐ No
b	For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? ▶	☐ Yes	☑ No
10	Check the appropriate box for each election. **Caution:** Once made, the following elections are irrevocable.		
a	Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	☑ Yes	☐ No
b	Elect **not** to treat large partnership as taxpayer (section 42(j)(5)) ▶	☐ Yes	
c	Elect minimum set-aside requirement (section 42(g)) (see instructions): ☐ 20-50 ☑ 40-60 ☐ Average income ☐ 25-60 (N.Y.C. only)		
d	Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	☐ 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

▶ Signature ▶ 75-0165960 Taxpayer identification number ▶ Date

▶ For example purposes only - not real forms Name (please type or print) ▶ 2026 First year of the credit period

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 63981U Form **8609** (Rev. 12-2021)

86

86

Eligible Basis in the Calculation of Credit

$500,000	×	100%	=	$500,000
$500,000	×	9%	=	$45,000
$45,000	×	10 Years	=	$450,000

87

87

Forms 8609: Part II – Multiple Building Project; Yes or No

Part II **First-Year Certification**—Completed by Building Owners with respect to the First Year of the Credit Period

7	Eligible basis of building (see instructions)	7	2,470,327
8a	Original qualified basis of the building at close of first year of credit period	8a	2,470,327
b	Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	☑ Yes	☐ No
9a	If box 8a or box 8d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	☐ Yes	☐ No
b	For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportion		
10	Check the appropriate box for each		
	Caution: Once made, the following		
a	Elect to begin credit period the first		
b	Elect **not** to treat large partnership a		
c	Elect minimum set-aside requirement		
	☐ 20-50 ☑ 40-60		
d	Elect deep rent skewed project (sec		

Under penalties of perjury, I declare that I have e
are true, correct, and complete.

Signature

For example purposes only - not real form

Name (please type or print)

Part II **First-Year Certification**-Completed by Building Owners with respect to the First Year of the Credit Period

7	Eligible basis of building (see instructions)	7	3,080,254
8a	Original qualified basis of the building at close of first year of credit period	8a	3,080,254
b	Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	☐ Yes	☒ No
9a	If box 8a or box 8d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	☐ Yes	☐ No
b	For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low income units under section 42(d)(3)(B)? ▶	☐ Yes	☒ No
10	Check the appropriate box for each election:		
	Caution: Once made, the following elections are irrevocable.		
a	Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	☒ Yes	☐ No
b	Elect **not** to treat large partnership as taxpayer (section 42(j)(5)) ▶	☐ Yes	
c	Elect minimum set-aside requirement (section 42(g)) (see instructions):		
	☐ 20-50 ☒ 40-60 ☐ Average income ☐ 25-60 (N.Y.C. only)		
d	Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	☐ 15-40	

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 63981U Form **8609** (Rev. 12-2021)

88

88

Forms 8609: Part II – Multiple Building Project; The Attachment

Part II **First-Year Certification**—Completed by Building Owners with respect to the First Year of the Credit Period

7	Eligible basis of building (see instructions)	7	2,470,327
8a	Original qualified basis of the building at close of first year of credit period	8a	2,470,327
b	Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	☑ Yes	☐ No
9a	If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	☐ Yes	☐ No
b	For market-rate units above the average quality standards of low-incom to reduce eligible basis by disproportionate costs of non-low-income un		
10	Check the appropriate box for each election.		
	Caution: Once made, the following elections are irrevocable.		
a	Elect to begin credit period the first year after the building is plac		
b	Elect **not** to treat large partnership as taxpayer (section 42(j)(5))		
c	Elect minimum set-aside requirement (section 42(g)) (see instructions		
	☐ 20-50 ☑ 40-60 ☐ Average income		
d	Elect deep rent skewed project (section 142(d)(4)(B)) (see instruct		

Under penalties of perjury, I declare that I have examined this form and accomp are true, correct, and complete.

Signature — Taxpay

For example purposes only - not real forms — First y

Name (please type or print)

For Privacy Act and Paperwork Reduction Act Notice, see separate instructi

The Development
Tax ID 75-0165960

The projects listed below are intended to be one project for the purposes of the election made on line 8(b) of the attached Form 8609.

BIN	Address	Maximum Credit Allowable
TX-24-21801	301 E. Austin Street, Austin, TX 78721	$ 274,327.00
TX-24-21802	301 E. Austin Street, Austin, TX 78721	$ 274,327.00
TX-24-21803	301 E. Austin Street, Austin, TX 78721	$ 274,327.00
TX-24-21804	301 E. Austin Street, Austin, TX 78721	$ 274,327.00
	Total Credit	$1,097,308.00

89

89

Forms 8609: Part II – Credit Period

Part II **First-Year Certification**—Completed by Building Owners with respect to the First Year of the Credit Period

7	Eligible basis of building (see instructions)	7	2,470,327
8a	Original qualified basis of the building at close of first year of credit period	8a	2,470,327
b	Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	☑ Yes	☐ No
9a	If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	☐ Yes	☐ No
b	For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? ▶	☐ Yes	☑ No
10	Check the appropriate box for each election.		
	Caution: Once made, the following elections are irrevocable.		
a	Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	☑ Yes	☐ No
b	Elect **not** to treat large partnership as taxpayer (section 42(j)(5)) ▶	☐ Yes	
c	Elect minimum set-aside requirement (section 42		
	☐ 20-50 ☑ 40-60 ☐ Averag		
d	Elect deep rent skewed project (section 142(d		

5a	Date building placed in service	▶ 12/17/2025
b	Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or 2022 and the building is located in a qualified disaster zone (see instructions).	

Under penalties of perjury, I declare that I have examined th are true, correct, and complete.

Signature — 75-0165960 Taxpayer identification number — Date

For example purposes only - not real forms — 2026 First year of the credit period

Name (please type or print)

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 63981U Form **8609** (Rev. 12-2021)

90

90

Forms 8609: Part II – Minimum Set-Aside

Part II **First-Year Certification**—Completed by Building Owners with respect to the First Year of the Credit Period

7	Eligible basis of building (see instructions)	7	2,470,327
8a	Original qualified basis of the building at close of first year of credit period	8a	2,470,327
b	Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	☑ Yes	☐ No
9a	If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	☐ Yes	☐ No
b	For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? ▶	☐ Yes	☑ No
10	Check the appropriate box for each election.		
	Caution: Once made, the following elections are irrevocable.		
a	Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶	☑ Yes	☐ No
b	Elect **not** to treat large partnership as taxpayer (section 42(j)(5)) ▶	☐ Yes	
c	Elect minimum set-aside requirement (section 42(g)) (see instructions): ☐ 20-50 ☑ 40-60 ☐ Average income ☐ 25-60 (N.Y.C. only)		
d	Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	☐ 15-40	

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

▶ Signature ▶ 75-0165960 Taxpayer identification number ▶ Date

▶ For example purposes only - not real forms Name (please type or print) ▶ 2026 First year of the credit period

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 63981U Form **8609** (Rev. 12-2021)

91

91

Minimum Set-Aside

92

92

Minimum Set-Aside: 20/50 Election

Form 8609 Elections:

Unit 301 Low-Income	Unit 302 Low-Income	Unit 303 Market Unit	Unit 304 Low-Income
Unit 201 Market Unit	Unit 202 Low-Income	Unit 203 Market Unit	Unit 204 Market Unit
Unit 101 Low-Income	Unit 102 Low-Income	Unit 103 Low-Income	Unit 104 Low-Income

Form 8609 Elections:
20/50 Set-Aside
Individual Building Project

20% of the building = 3 units (2.4 rounded up to the nearest whole unit)

93

93

Minimum Set-Aside: 40/60 Election – Multiple Buildings

Form 8609 Elections:

Form 8609 Elections:
40/60 Set-Aside
Multiple Building Project

40% of the project = 4 units (3.2 rounded up to the nearest whole unit)

Unit 101 Low-Income	Unit 102 Low-Income	Unit 101 Low-Income	Unit 102 Low-Income
Unit 103 Low-Income	Unit 104 Market	Unit 103 Low-Income	Unit 104 Low-Income

94

94

Minimum Set-Aside: Average Income – Learning Point 1

40% + 40% + 50% + 60% + 60% = 250/5 = 50% average

Unit 301 Low-Income 50%	Unit 302 Low-Income 60%	Unit 303 Market Unit	Unit 304 Low-Income 70%
Unit 201 Market Unit	Unit 202 Low-Income 40%	Unit 203 Market Unit	Unit 204 Market Unit
Unit 101 Low-Income 40%	Unit 102 Low-Income 60%	Unit 103 Low-Income 60%	Unit 104 Low-Income 60%

Form 8609 Elections:
Average Income Set-Aside
Individual Building Project

40% of All Units must be both rent and income restricted = 5 units (4.8 rounded up to nearest unit)

The box shows the units (Qualified Group) the Owner wishes to use to qualify for the Average Income Test (AIT). Since this average is below 60%, the set-aside requirement has been met.

95

95

Minimum Set-Aside: Average Income - Learning Point 2

60% + 60% + 70% + 50% + 70% = 310/5 = 62% average

Unit 301 Low-Income 60%	Unit 302 Low-Income 60%	Unit 303 Market Unit	Unit 304 Low-Income 70%
Unit 201 Market Unit	Unit 202 Low-Income 50%	Unit 203 Market Unit	Unit 204 Market Unit
Unit 101 Low-Inc 70%	Unit 102	Unit 103	Unit 104

Uh oh, We have noncompliance!

Form 8609 Elections:
Average Income Set-Aside
Individual Building Project

40% of All Units must be both rent and income restricted = 5 units (4.8 rounded up to nearest unit)

The box shows the units (Qualified Group) the Owner wishes to use to qualify for the Average Income Test (AIT). Since %, the s not been met.

96

96

Minimum Set-Aside: Average Income - Learning Point 3

60% + 60% + 70% + 50% + 60% = 300/5 = 60% average

Unit 301 Low-Income 60%	Unit 302 Low-Income 60%	Unit 303 Market Unit	Unit 304 Low-Income 70%
Unit 201 Market Unit	Unit 202 Low-Income 50%	Unit 203 Market Unit	Unit 204 Market Unit
Unit 101 Low-Income 60%	Unit 102 Low-Income 80%	Unit 103 Low-Income 80%	Unit 104 Low-Income 80%

Form 8609 Elections:
Average Income Set-Aside
Individual Building Project

We have established Minimum Set-Aside.

It is always crucial, but especially with Average Income, that the designations on the USR reported be accurately.

97

97

Minimum Set-Aside: Average Income - Learning Point 3 cont.

60% + 60% + 70% + 50% + 60% + 80% + 80% + 80% = 540/8 = 67.5% average

Unit 301 Low-Income 60%	Unit 302 Low-Income 60%	Unit 303 Market Unit	Unit 304 Low-Income 70%
Unit 201 Market Unit	Unit 202 Low-Income 50%	Unit 203 Market Unit	Unit 204 Market Unit
Unit 101 Low-Inc 60%	Unit 102	Unit 103	Unit 104

Form 8609 Elections:
Average Income Set-Aside
Individual Building Project

This is not a Minimum Set-Aside issue; this issue will trigger noncompliance for the most recent 80% move-in.

The Qualified Group averages at 60% AMI; however, the second test for the Project does not e.

Uh oh, We have noncompliance!

98

98

Module 4

Rent & Income Limits,
Utility Allowances,
Fees & Gross Rent

99

99

Income and Rent Limits

Income Limits

- Published annually by HUD
- **Project** specific
- Based on household size

Rent Limits

- Calculated from Income Limits
- **Project** specific
- Based on unit size

100

100

Income and Rent Limits: HUD Report

OFFICE OF POLICY DEVELOPMENT AND RESEARCH (PD&R)

INCOME LIMITS

Dataset/Income Limits

HUD's Office of Policy Developmer
interface (API). With this API, devel
create an account and get an acces

The Department of Housing and Urb
based, Section 8 Housing Choice Vo
Median Family Income estimates an

FY 2024 Ceiling Methodology Chang

2025 | 2024 | 2023 | 2022 | 2021 | Year

Query Tool | Documents | Data | FAQs

Effective April 01, 2025.

Query Tool | Documents | Data | FAQs

Effective April 01, 2025.

NOTE: For FY2025, HUD has implemented geographic area definition changes as determined by the Office of Management and Budget. Users should note that the constituent counties or towns of metropolitan areas may have changed. Please refer to the Area Definition Report for a listing of areas and their components.

Access Individual Income Limits Areas

This system provides complete documentation of the development of the FY 2025 Income Limits
excel formats at this link, may differ slightly from those calculated in the documentation system

Click Here for FY 2025 I

NOTE: Due to the Housing and Economic Recovery Act of 2008 (Public Law 110-289) the data presented in this s
(LIHTC) or section 142 tax exempt private equity bonds. These projects should use the Multifamily Tax Subsidy Pr

pdf and

Credits

FY 2025 INCOME LIMITS DOCUMENTATION SYSTEM

First select a state: Ohio - OH, Oklahoma - OK, Oregon - OR, Pennsylvania - PA, Puerto Rico - PR, Rhode Island - RI, South Carolina - SC, South Dakota - SD, Tennessee - TN, Texas - TX

Then select a county: Anderson County, TX; Andrews County, TX; Angelina County, TX; Aransas County, TX; Archer County, TX; Armstrong County, TX; Atascosa County, TX; Austin County, TX; Bailey County, TX; Bandera County, TX

Choose a County

Or view FY 2025 statewide Income Limits for Texas:

View State Calculations

Or select a FY 2025 HUD Metropolitan Fair Market Rent/Income Limits Area (HMFA):

NOTE: For FY2025, HUD has implemented geographic area definition changes as determined by the Office of Management and Budget. Users should note that the constituent counties or towns of metropolitan areas may have changed. Please refer to the Area Definition Report for a listing of areas and their components.

Abilene, TX MSA

View HMFA Calculations

https://www.huduser.gov/portal/datasets/il.html

101

101

Income and Rent Limits: TDHCA Income & Rent Tool 9%

Income and Rent Tool

The 2025 Housing Tax Credit limits are effective 04/01/2025. The 2025 NSP income limits are effective 06/01/2025. The Community Planning Division (CPD) of HUD released the 2025 HOME Program income limits e
renewals after 06/01/2025. The 2025 National Housing Trust Fund income and rent limits are effective 06/01/2025.

County	ANDERSON
Financing:	
Place:	Not Selected
Project PIS Date:	Before 12/31/2008
Carryover/Determination Notice/Subaward Agreement date:	Before 12/31/2008
For Home and NSP Only:	On or Before 05/31/2025

Submit

If you or someone you know is in need of assistance, please visit our Help for Texans Page.

Help for Texans

Helpful Tools

- Reasonable Accommodation and Reasonable Modification Infograp
- **Tenant Handout: Income and Rent Limits** English (PDF) Spanish (PDF)
- Income and Rent Limits in TDHCA-Supported Properties
- Archived Income and Rent Limits
- Instructions on How To Use the Department Income and Rent Tool

Helpful Tools

- Reasonable Accommodation and Reasonable Modification Infographic
- **Tenant Handout: Income and Rent Limits** English (PDF) Spanish (PDF)
- Income and Rent Limits in TDHCA-Supported Properties
- Archived Income and Rent Limits
- Instructions on How To Use the Department Income and Rent Tool

Housing Tax Credit, Tax Exe ion, Housing Trust Fund rental d PRA program

- Income and Rent Tool
- 2024 811 PRA Income Limits
- 2025 811 PRA Income Limits

County:	TRAVIS
Financing:	9% Housing Credits
Place:	Austin
Project PIS Date:	On or After 05/16/2025
Carryover/Determination Notice/Subaward Agreement date:	05/15/2024-03/31/2025
For Home and NSP Only:	On or Before 05/31/2025

Submit | Bookmark

MTSP Median Income : 133800

Income Limits

Income	1	2	3	4	5	6	7	8
20	18740	21420	24100	26760	28920	31060	33200	35340
30	28110	32130	36150	40140	43380	46590	49800	53010
40	37480	42840	48200	53520	57840	62120	66400	70680
50	46850	53550	60250	66900	72300	77650	83000	88350
60	56220	64260	72300	80280	86760	93180	99600	106020
70	65590	74970	84350	93660	101220	108710	116200	123690
80	74960	85680	96400	107040	115680	124240	132800	141360

Rent Limits

Rent	0	1	2	3	4	5
20	468	502	602	696	776	856
30	702	753	903	1044	1164	1285
40	937	1004	1205	1392	1553	1713
50	1171	1255	1506	1740	1941	2141
60	1405	1506	1807	2088	2329	2570
65	1522	1631	1958	2262	2523	2784
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

Print to PDF | Export to Excel

https://www.tdhca.texas.gov/income-and-rent-limits

102

102

Income and Rent Limits: TDHCA Income & Rent Tool 4% & Exchange

County: TRAVIS
Financing: 4% Housing Credits
Place: Not Selected
Project PIS Date: On or After 05/16/2025
Carryover/Determination Notice/Subaward Agreement date: 05/15/2024-03/31/2025
For Home and NSP Only: On or Before 05/31/2025
Submit Bookmark

MTSP Median Income : 133800

4% HTC

Income Limits

Income	1	2	3	4	5	6	7	8
20	18740	21420	24100	26760	28920	31060	33200	35340
30	28110	32130	36150	40140	43380	46590	49800	53010
40	37480	42840	48200	53520	57840	62120	66400	70680
50	46850	53550	60250	66900	72300	77650	83000	88350
60	56220	64260	72300	80280	86760	93180	99600	106020
70	65590	74970	84350	93660	101220	108710	116200	123690
80	74960	85680	96400	107040	115680	124240	132800	141360

Rent Limits

Rent	0	1	2	3	4	5
20	468	502	602	696	776	856
30	702	753	903	1044	1164	1285
40	937	1004	1205	1392	1553	1713
50	1171	1255	1506	1740	1941	2141
60	1405	1506	1807	2088	2329	2570
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

Print to PDF Export to Excel

County: TRAVIS
Financing: 9% Housing Credits
Place: Austin
Project PIS Date: On or After 05/16/2025
Carryover/Determination Notice/Subaward Agreement date: 05/15/2024-03/31/2025
For Home and NSP Only: On or Before 05/31/2025
Submit Bookmark

MTSP Median Income : 133800

Exchange

Income Limits

Income	1	2	3	4	5	6	7	8
20	18740	21420	24100	26760	28920	31060	33200	35340
30	28110	32130	36150	40140	43380	46590	49800	53010
40	37480	42840	48200	53520	57840	62120	66400	70680
50	46850	53550	60250	66900	72300	77650	83000	88350
60	56220	64260	72300	80280	86760	93180	99600	106020
70	65590	74970	84350	93660	101220	108710	116200	123690
80	74960	85680	96400	107040	115680	124240	132800	141360

Rent Limits

Rent	0	1	2	3	4	5
20	468	502	602	696	776	856
30	702	753	903	1044	1164	1285
40	937	1004	1205	1392	1553	1713
50	1171	1255	1506	1740	1941	2141
60	1405	1506	1807	2088	2329	2570
65	1522	1631	1958	2262	2523	2784
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

Print to PDF Export to Excel

https://www.tdhca.texas.gov/income-and-rent-limits

103

103

Income and Rent Limits: Project PIS Date – Multiple Buildings

8a Original qualified basis of the building at close of first year of credit period 8a 500,000

b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? . . . . . ☑ Yes ☐ No

Pandora Springs, LTD.
Federal Tax ID #91-189333

New Construction:

BIN	Addresses		Maximum Credit Allowable
TX-15-02101	1501 Circle S	Austin, TX 78611	$45,000.00
TX-15-02105	1501 Circle S	Austin, TX 78611	$60,750.00
		Total Credit for the Project:	$105,750.00

5a Date building placed in service . . . . . ▶ 1/15/2020

b Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or 2022 and the building is located in a qualified disaster zone (see instructions).

5a Date building placed in service . . . . . ▶ 4/15/2020

104

104

Income and Rent Limits: Learning Point 1

True or false, 9% HTC, 4% HTC and Tax Credit Exchange developments will all have the same Carryover date?

A True

B False

105

105

Income and Rent Limits: Learning Point 2

A 4% property and a 9% property in the same town/county will <u>always</u> have the same income and rent limits, true or false?

A True

B False

106

106

Utility Allowances: Regulations

Treasury Regulation 1.42-10
- Federally approved methodologies

10 TAC §10.614
- TDHCA's rule that details how the methodologies are implemented in Texas

8823 Audit Guide, Chapter 18
- Identifies compliance and noncompliance

107

107

Utility Allowance: Application vs. LURA

If tenants will be required to pay any other mandatory fees (e.g. renter's insurance) please provide an estimate, description and documentation of those as well.

Utility	Who Pays	*Energy Source*	0BR	1BR	2BR	3BR	4BR	Source of Utility Allowance & Effective Date
Heating	Tenant							
Cooking	Tenant							
Other Electric	Tenant			$ 55.97	$ 70.88	$ 78.69		Enercon Consumption Model
Air Conditioning	Tenant							2/11/22
Water Heater	Tenant							Approved by TDHCA
Water	Tenant			$ 3.30	$ 7.34	$ 9.44		
Sewer	Tenant			$ 19.90	$ 21.46	$ 23.95		
Trash	Landlord							
Flat Fee	Tenant							
Other	Tenant							
Total Paid by Tenant			$ -	$ 80.00	$ 100.00	$ 113.00	$ -	

Once a property is underwritten with a Utility Allowance, that UA is allowed to be used until the building reaches 90% occupied for a period of 90 days, the end of the first year of the Credit Period, <u>or the Owner requests a change from the underwritten UA</u>.

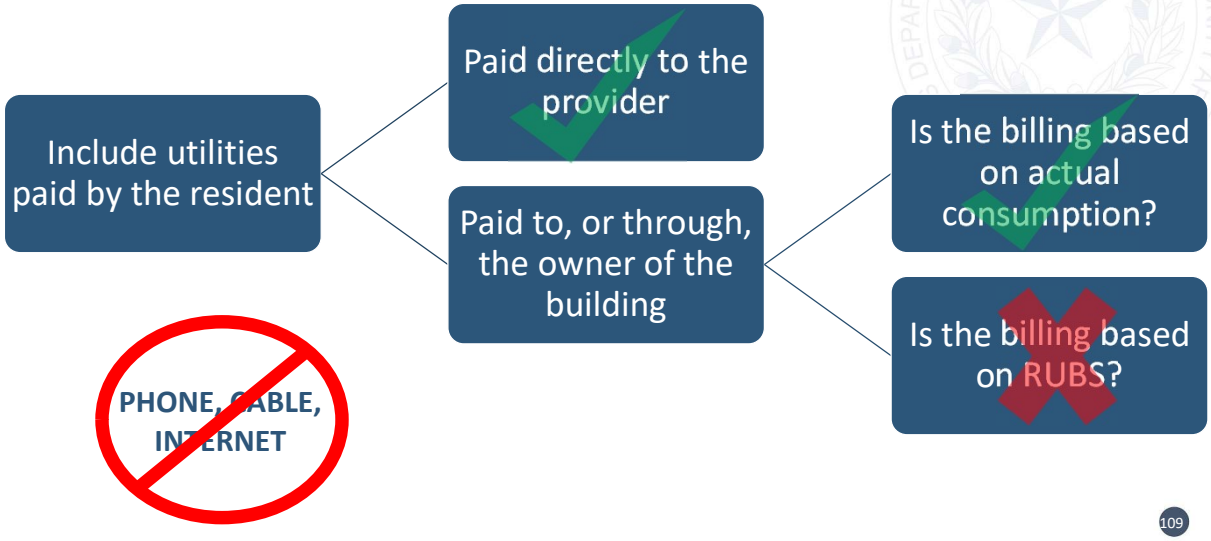
When the 1st building (BIN) hits the 90% occupied mark the Owner should submit a UA package to have it ready to implement after 90 days.

APPLICABLE PROGRAM RENT		
Gross Rent	Utility Allow	Max Net Program Rent
$417	$80	$337
$695	$80	$615
$834	$80	$754
$500	$100	$400
$833	$100	$733
$1,000	$100	$900
$1,000	$100	$900
$1,000	$100	$900
$578	$113	$465
$963	$113	$850
$963	$113	$850
$1,156	$113	$1,043
$1,156	$113	$1,043

108

108

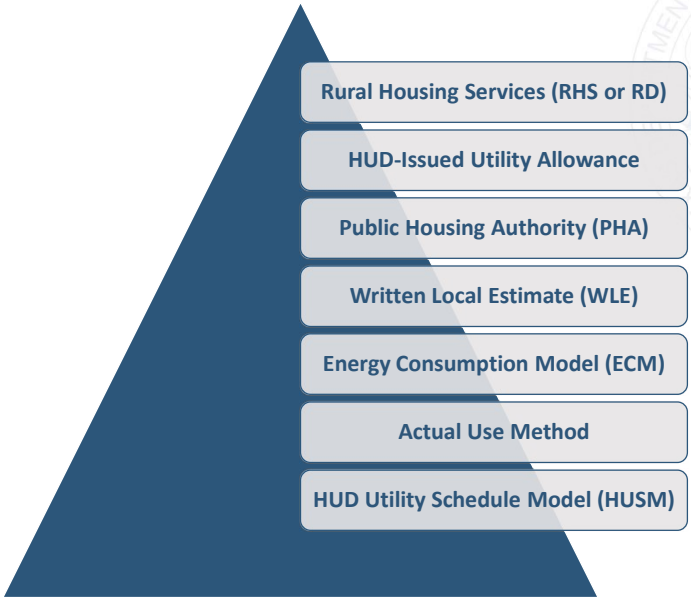
Utility Allowances: What's Included



109

109

Utility Allowances: 7 Methodologies



10

110

Utility Allowances: USDA Rural Housing

Must use the project's utility allowance submitted annually through the budget process.

RHS Assisted Buildings

- Section 515 Direct Loan Program
- Section 521 Rural Rental Assistance (RA)
- Section 516 Off Farm Labor Housing Loans and Grants

111

111

Utility Allowances: USDA Rural Housing – Approval

December 15, 2024

Greetings,

We have reviewed your proposed **01/01/2025 – 12/31/2025** budget including the rent and/or utility allowance for the above referenced property. The requested proposal is acceptable. We have enclosed a copy of the approved/signed proposed budget for your records. The rent and/or utility rates will become effective **January 1, 2025**.

You may file an appeal regarding the rate and utility allowance change as approved. An appeal must be received in the Regional Office no later than 30 calendar days after receipt of any adverse decision. The appeal should state what agency decision is being appealed and should include, if possible, copy of

You mu utility a

EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2025

Unit Description					Utility Types						
Type	Size	HC	Rev	Unit	Elect	Gas	Sewer	Trash	Water	Other	Total Allow
N	1	Y			101	0	0	0	0	0	101
N	2	All			124	0	0	0	0	0	124
N	1	All			101	0	0	0	0	0	101

USDA Rural Development

PO Box 771340

St. Louis, MO 63177

All tenants (members) are required to pay the changed amount of rent (occupancy charge) as indicated in the notice of approval.

Effective Date: Indicated by RHS Approval

Posting: As required by RHS

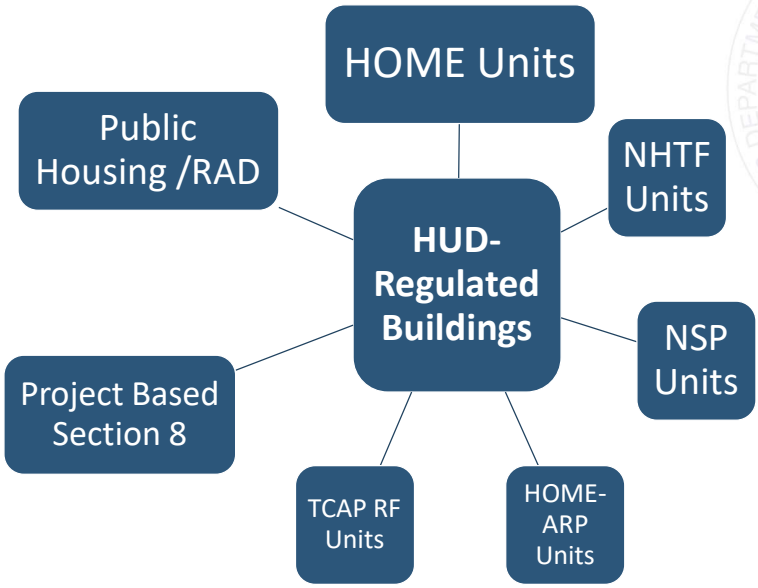
Annual Review: As required by RHS

Approval: From RHS

112

112

Utility Allowances: HUD-Regulated Buildings

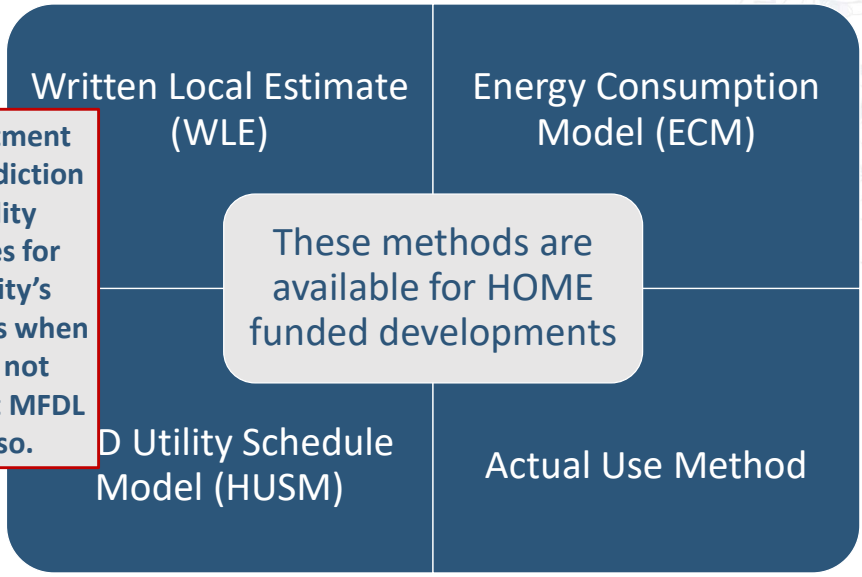


These are NOT all the programs that would make an HTC Building HUD-Regulated.

113

113

Utility Allowances: HOME Funds from the Department



The Department has no jurisdiction over Utility Allowances for other entity's HOME Funds when there are not Department MFDL funds also.

114

114

Utility Allowances: Department Issued MFDL Funds

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
www.tdhca.texas.gov

Greg Abbott
Governor

October 8, 2025

Dallas, TX

RE: [redacted] CMTS ID: [redacted]

Dear [redacted]

The Texas Department of Housing and Community Affairs (the Department) has calculated the utility allowa [redacted] using the HUD Utility Schedule Model in accordance with 10 TAC §10.614(c)(3) and HOME Final Ru as a result of the Department Multifamily Direct Loan (MFDL) program. This allowance is calculated b representation that the building(s) are not RHS assisted or have RHS assisted tenants, and that the Develo required to calculate the utility allowance under HUD Multifamily Notice H-2015-4.

Please review the attached utility allowance schedule dated October 8, 2025 for errors related to characteristics of the buildings, the utilities paid by the residents, or the type of utilities present at the Devel must notify the Department within five (5) days if there are errors related to these items; otherwise, the attac is the only allowance approved for use and must be implemented for rent due in all programs by November 7, after the date of this notification. It is the sole responsibility of the owner to implement the allowance to ensu are restricted and, if applicable, all additional rent and occupancy restrictions are met. The Department will during the next monitoring review, and failure to implement timely will result in noncompliance.

The Utility Allowance must be reviewed at least once a calendar year. 10 TAC§10.614(g) outlines requiremen review. If the owner wishes to switch the methodology used to calculate the Utility Allowance, prior appro Department is required.

If you have questions about this review, please contact Cara Polei via email at cara.polei@tdhca.texas.gov.

Sincerely,

Digitally signed [redacted] 11:06:18 -05'00'

Cara Polei
Team Leader of Compliance Monitoring

221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
www.tdhca.texas.gov

Greg Abbott
Governor

Bobby Mimms
Leo Vasquez, Chair
Kenny Marchant, Vice Chair
Cindy Conroy, Member
Anna Maria Farias, Member
Holland Harper, Member
Ajay Thomas, Member

February 25, 2025

Writer's direct phone # (512) 475-0208
Email: andrea.arshadmanesh@tdhca.texas.gov

Brad [redacted]
[redacted] Texas
[redacted]

RE: [redacted] CMTS ID: [redacted]

Dear Brad [redacted]

The Texas Department of Housing and Community Affairs (Department) has received the request submitted on February 19, 2025, by [redacted] to calculate the utility allowance using the Energy Consumption Model method described in 10TAC §10.614(c)(3)(D).

Your request is hereby granted. This approval is based on the representation that the residents are financially responsible for electric, and, that the Development does not have RHS assisted buildings or RHS assisted tenants.

The Notice to the Residents was posted on February 17, 2025, which begins the 90-day notification period. Please note that a resident of the development could contact the Department with additional information during the notification period. If the information is relevant, the Department may contact the owner and request additional documentation. ***The following utility allowances are effective for rent due after May 17, 2025:***

	Energy Consumption Model
1 Bedroom	$55.00
2 Bedroom	$70.00

It is the sole responsibility of the owner to implement the allowance to ensure that rents are restricted and, if applicable, all additional rent and occupancy restrictions are met. The Department will review rents during the next monitoring review and, failure to implement timely, will result in noncompliance.

Please note, the approved allowance expires December 31, 2026. The utility allowance must be reviewed at least once a calendar year. 10 TAC§10.614(g) outlines requirements for annual review. The annual review and all back-up documentation required by the method must be submitted to the

221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800

Effective Date: Indicated by the letter

Posting: Not required if Department calculated – 90 days if Owner requested

Annual Review: Once per calendar year

Approval: From the Department

115

115

Utility Allowances: HOME Funds from Another PJ Part 1

HOME funds in all buildings:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
www.tdhca.texas.gov

Greg Abbott
Governor

Bobby Mimms
Leo Vasquez, Chair
Kenny Marchant, Vice Chair
Cindy Conroy, Member
Anna Maria Farias, Member
Holland Harper, Member
Ajay Thomas, Member

September 29, 2025

Writer's direct phone # (512) 475-3821
Email: cara.polei@tdhca.texas.gov

Enrique [redacted]
Austin, TX
asset[redacted]

RE: [redacted] CMTS ID: [redacted]

Dear Enrique [redacted]

The Texas Department of Housing and Community Affairs (Department) has received the request submitted on September 22, 2025, by [redacted] to calculate the utility allowance using the Energy Consumption Model method described in 10 TAC §10.614(c)(3)(D).

[redacted] in accordance with Treasury Regulation §1.42-10(b)(1), if neither a building nor any tenant in the building receives RHS housing assistance, and the rents and utility allowances of the building are reviewed by HUD on an annual basis (HUD-Regulated building), the applicable utility allowance for all rent-restricted units in the building is the applicable HUD utility allowance. The utility allowance is calculated on a building by building basis and, as every building at the development contains at least one HOME unit, the buildings at Avanti Legacy Parkview are considered to be HUD-regulated and the only allowable utility allowance for all rent-restricted units is the allowance prescribed under the HOME Program of the City of Killeen.

It is the sole responsibility of the owner to implement a properly calculated utility allowance to ensure that rents are restricted and, if applicable, all additional rent and occupancy restrictions are met. The Department will review rents during the next monitoring review and, failure to properly calculate the allowance, will result in noncompliance.

Please be advised that the utility allowance must be reviewed at least once a calendar year. The review must take into account any changes to the building, including energy conservation measures that affect energy consumption and changes in utility rates. 10 TAC §10.614(g) outlines the requirements for an annual review.

If you have questions about this review, please contact Cara Polei at (512) 475-3821 or via email: cara.polei@tdhca.texas.gov.

Sincerely,

Digitally signed [redacted] 08:01:38 -05'00'

Cara Polei
Team Leader of Compliance Monitoring

221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800

From: [redacted]
To: [redacted]
Cc: [redacted]
Subject: RE: [redacted] - Utility Allowance
Date: Monday, October 27, 2025 10:39:12 AM
Attachments: image002.png
2025 Request approval ECM [redacted]

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

The City of Killeen, as the Participating Jurisdiction (PJ), approves the attached ECM Utility Allowance for [redacted]. The ECM shall be updated annually, each September, to ensure compliance with HOME rent restrictions.

[redacted]
Executive Director of Community Development
City of Killeen
Phone: (254) [redacted]
www.killeentexas.gov

Dedicated Service – Every Day for Everyone!

Effective Date: Indicated by HOME PJ

Posting: As required by HOME PJ

Annual Review: As required by HOME PJ

Approval: From HOME PJ

116

116

Utility Allowances: HOME Funds from Another PJ Part 2

HOME funds in some buildings:

CITY OF SAN ANTONIO
NEIGHBORHOOD & HOUSING SERVICES DEPARTMENT

Utility Allowance for HOME Assisted Properties

Effective: June 1, 2025
Development: [redacted]
Street Address: [redacted] Rd
City, State Zip: San Antonio, TX [redacted]

Management Company: [redacted]
Method Used: Energy Consumption Model (Engineer)
Prepared by: [redacted]
Date prepared: July 10, 2025

The City of San Antonio approves the following utility allowance estimates and maximum rents for HOME assisted units in [redacted]

Unit Size	Maximum Rent		Proposed Rent			
	Low HOME	High HOME	Low HOME	Approved	High HOME	Approved
0 bedroom	$846.00	$1,080.00				
1 bedroom	$906.00	$1,158.00	$906.00	Yes	$1,158.00	Yes
2 bedroom	$1,087.00	$1,392.00	$1,087.00	Yes	$1,392.00	Yes
3 bedroom	$1,256.00	$1,599.00	$1,256.00	Yes	$1,599.00	Yes
4 bedroom	$1,401.00	$1,764.00	$1,401.00	Yes	$1,764.00	Yes
5 bedroom	$1,546.00	$1,928.00				
6 bedroom	$1,690.00	$2,092.00				

Maximum rents effective date: June 1, 2025

NOTE:
Rents approved in the above table include utilities.
This means that the property owner must make deductions from approved rents if the tenant pays for utilities.

Unit Size	Utility Allowance					
	Electric	Water	Sewer	Gas	Trash	Total
0 bedroom						
1 bedroom	$57.00			$17.00		$74.00
2 bedroom	$66.00			$19.00		$85.00
3 bedroom	$73.00			$21.00		$94.00
4 bedroom	$84.00			$24.00		$108.00
5 bedroom						
6 bedroom						

Electric service is provided at no additional cost to the tenant: ☐
Water service is provided at no additional cost to the tenant: ✓
Gas service is provided at no additional cost to the tenant: ☐
Gas service is not available at this property: ☐
Trash service is provided at no additional cost to the tenant: ☐
Sewer service is provided at no additional cost to the tenant: ☐
All electric property: ☐

[redacted]

Approved by [redacted] for [redacted]
Quality Assurance Manager

Date

Revised: May 29, 2025

https://tools.huduser.gov/huam/uam.html
https://www.hudexchange.info/programs/home/home-rent-limits/

THE STATE OF TEXAS

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
www.tdhca.texas.gov

Greg Abbott
Governor

Board Members
Leo Vasquez, Chair
Kenny Marchant, Vice Chair
Cindy Conroy, Member
Anna Maria Farias, Member
Holland Harper, Member
Ajay Thomas, Member

June 20, 2025

Writer's direct phone # (512) 475-0208
Email: andrea.arshadmanesh@tdhca.texas.gov

Seth [redacted]
[redacted] NY
cmtsupdate [redacted]

RE: [redacted] CMTS ID: [redacted]

Dear Seth [redacted]

The Texas Department of Housing and Community Affairs (Department) has received the request submitted on June 13, 2025, by [redacted] LP dba [redacted] for [redacted] to calculate the utility allowance using the Energy Consumption Model method described in 10TAC §10.614(c)(3)(D).

The development has HOME funds from the City of San Antonio. In accordance with Treasury Regulation §1.42-10(b)(3), if neither a building nor any tenant in the building receives RHS housing assistance, and the rents and utility allowances of the building are reviewed by HUD on an annual basis (HUD-Regulated building), the applicable utility allowance for all rent-restricted units in the building is the applicable HUD utility allowance. The utility allowance is calculated on a building by building basis, and the only allowable utility allowance for all rent-restricted units in buildings which are HUD-regulated is the allowance prescribed under the HOME program of the City of San Antonio. As a result, your request is denied for these buildings.

For the buildings which are not HUD-regulated, your request is hereby granted. This approval is based on the representation that the residents are financially responsible for electric and gas, that the utilities are not paid to or through the owner of the building based on an allocation formula or RUBS; and, that the Development does not have HUD-Regulated buildings, RHS assisted buildings or RHS assisted tenants. Please note that, in accordance with Treasury Regulation §1.42-10, the utility allowance for those units occupied by Section 8 voucher holders remains the applicable Public Housing Authority utility allowance established from where the resident receives the assistance.

221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800

Effective Date: Indicated by HOME PJ/Posting

Posting: As required by HOME PJ/90-day Posting

Annual Review: As required by HOME PJ/TDHCA Required

Approval: From HOME PJ and TDHCA

117

117

Utility Allowances: HUD Rent Schedule

HUD Project Based Program:

Rent Schedule
Low Rent Housing

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

RECEIVED
10/2/2025
SHCC

OMB Approval No. 2502-0012 (exp. 11/30/2020)

See Page 3 for Instructions, Public Burden Statement and Privacy Act requirements.

Project Name: [redacted] TX[redacted]
FHA Project Number: 11[redacted]
Dates Rents Will Be Effective (mm/dd/yyyy): 8/1/2025

Part A - Apartment Rents
Show the actual rents you intend to charge, even if the total of these rents is less than the Maximum Allowable Monthly Rent Potential.

Col. 1 Unit Type (Include Non-revenue Producing Units)	Col. 2 Number of Units	Contract Rents: Col. 3 Rent Per Unit	Contract Rents: Col. 4 Monthly Contract Rent Potential (Col. 2 x Col. 3)	Col. 5 Utility Allowances (Effective Date) 8/1/2025	Col. 6 Gross Rent (Col. 3 + Col. 5)	Market Rents (Sec. 236 Projects Only): Col. 7 Rent Per Unit	Market Rents (Sec. 236 Projects Only): Col. 8 Monthly Market Rent Potential (Col. 2 x Col. 7)
1 BR	18	$1,013	$18,234	$126	$1,139	$0	$0
2 BR	44	$1,134	$49,896	$161	$1,295		
3 BR	26	$1,266	$32,916	$225	$1,491		
Total Units	88	Monthly Contract Rent Potential (Add Col. 4)*				Monthly Market Rent Potential (Add Col. 8)*	

Effective Date: Indicated on the Rent Schedule

Posting: As required by the HUD Program

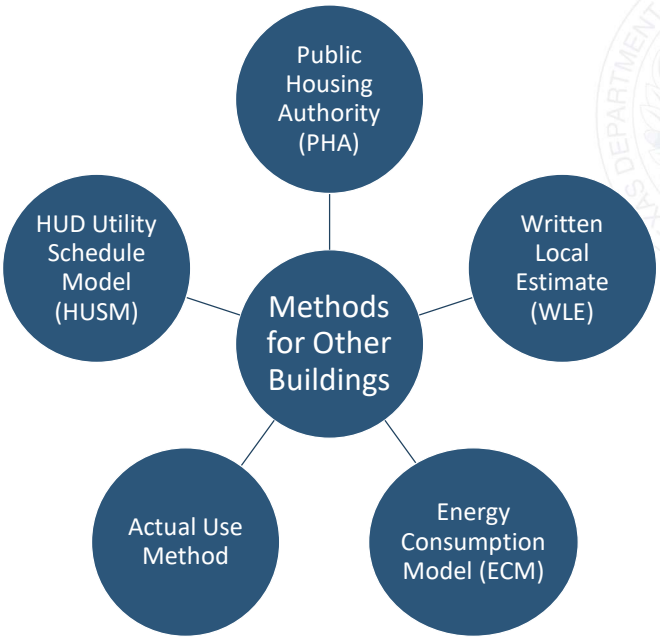
Annual Review: As required by the HUD Program

Approval: From HUD

118

118

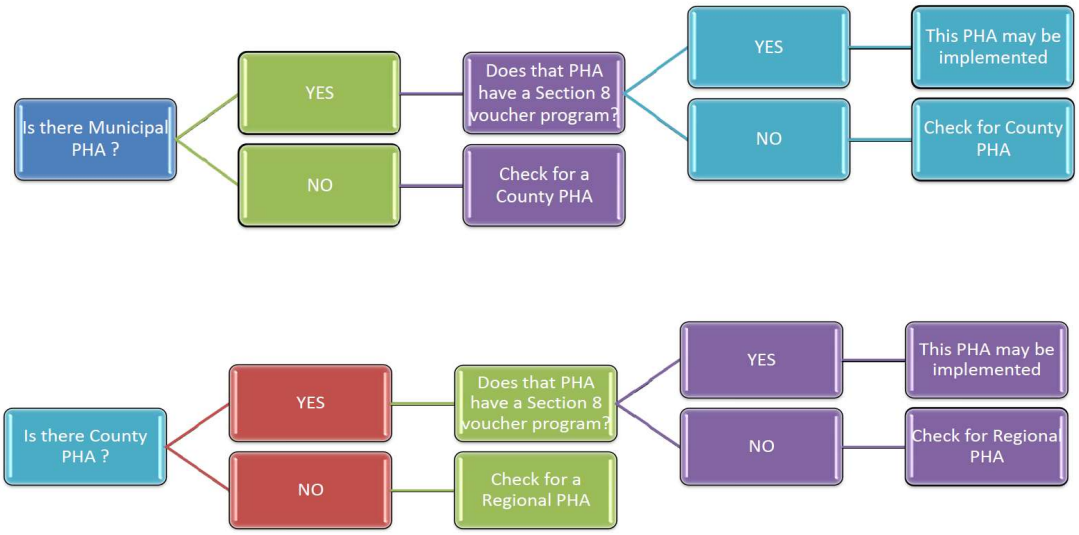
Utility Allowances: Other Buildings



119

119

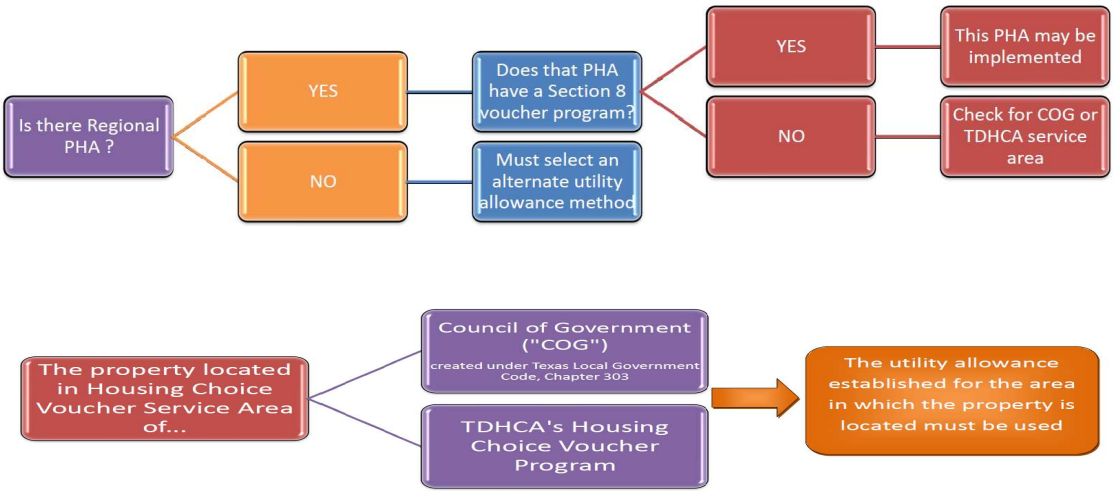
Utility Allowances: PHA Methodology – City and County



120

120

Utility Allowances: PHA Methodology – Regional, COG or TDHCA



121

121

Utility Allowances: PHA Methodology – City versus County

Allowance for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval N. 2577-0169

		Effective Date
LOCALITY: Houston Housing Authority HOUSTON, TX METROPOLITAN AREA	UNIT TYPE: APARTMENTS (5 OR MORE UNITS PER BUILDING)	1/1/2025

Utility or Service		Monthly Dollar Allowances								
		0BR	1BR	2BR	3BR	4BR	5BR	6BR	7BR	8BR
Heating	a. Natural Gas	$8	$8	$9	$10	$11	$12	$12	$13	$14
	b. Bottle Gas									
	c. Electric	$12	$14	$16	$19	$21	$24	$26	$28	$30
	d. Coal/Other									
Water		$36	$37	$48	$60	$71	$83	$91	$98	$106
Sewer		$53	$55	$71	$86	$102	$118	$128	$139	$149
Trash Collection										
Range/Microwave (if tenant supplies)		$11	$11	$11	$11	$11	$11	$11	$11	$11
Refrigerator (if tenant supplies)		$12	$12	$12	$12	$12	$12	$12	$12	$12
Other - Monthly Electric Fee		$15	$15	$15	$15	$15	$15	$15	$15	$15
Other - Monthly Gas Fee		$23	$23	$23	$23	$23	$23	$23	$23	$23

City of Houston

Actual Family Allowances: To be used by the family to compute allowance. Complete Below for the actual unit rented.

	Utility or Service	Per Month Cost
Name of Family & Entity ID	Heating	-
	Cooking	-
	Other Electric	-
	Air Conditioning	-
	Water Heating	-
Address of Unit	Water	-
	Sewer	-
	Trash Collection	-
	Range/Microwave	-
	Refrigerator	-
Smaller of bedroom or voucher: 0	Other (Elec Fee)	-
	Other (Gas Fee)	-
	Total	$0

Previous editions are obsolete — Page 1 of 1 — form HUD-52667(12/97) ref. Handbook 7420.8

Utility Allowance Schedule
See Public Reporting and Instructions on back.

U.S Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
exp. 04/30/2026

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA	Unit Type	Date (mm/dd/yyyy)
Harris County Housing Authority -TX441	Apartments (5 or more) /Low-Rise	04/01/2025

Utility or Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	$7.00	$9.00	$9.00	$10.00	$11.00	$11.00
	Bottled Gas						
	Electric	$11.00	$13.00	$16.00	$18.00	$21.00	$24.00
	Electric – Heat Pump	$10.00	$11.00	$13.00	$15.00	$17.00	$18.00
	Fuel Oil						
	Other						
Cooking	Natural Gas	$2.00	$2.00	$3.00	$4.00	$5.00	$6.00
	Bottled Gas						
	Electric	$15.00	$18.00	$22.00	$27.00	$32.00	$37.00
	Electric – Heat Pump						
	Fuel Oil						
Water		$18.00	$18.00	$48.00	$75.00	$95.00	$114.00
Sewer		$43.00	$46.00	$67.00	$88.00	$109.00	$130.00
Trash Collection		N/A	N/A	N/A	N/A	N/A	N/A
Other – specify		$23.00	$23.00	$23.00	$23.00	$23.00	$23.00
Range/Microwave		$11.00	$11.00	$11.00	$11.00	$11.00	$11.00
Refrigerator		$12.00	$12.00	$12.00	$12.00	$12.00	$12.00

Harris County

Actual Family Allowances – May be used by the family to compute allowance while searching for a unit.

	Utility/Service/Appliance	Allowance
Head of Household Name	Heating	
	Cooking	
	Other Electric	
	Air Conditioning	
Unit Address	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Total	

Previous versions are obsolete. 1 Form HUD-52667 (04/2023)

122

122

Utility Allowances: PHA Method – Different Building Types

Utility Allowance Schedule
See Public Reporting and Instructions on back.
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA **Housing Authority of the City of Austin, TX** | Unit Type: **Multi-Family -(Elevator)** | Date (mm/dd/yyyy) **06/01/2025**

Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	$16.00	$19.00	$21.00	$23.00	$25.00	$27.00
	Bottle Gas						

Utility Allowance Schedule
See Public Reporting and Instructions on back.
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA **Housing Authority of the City of Austin, TX** | Unit Type: **Row House/Townhouse** | Date (mm/dd/yyyy) **06/01/2025**

Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	$23.00	$27.00	$29.00	$31.00	$33.00	$36.00

Utility Allowance Schedule
See Public Reporting and Instructions on back.
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA **Housing Authority of the City of Austin, TX** | Unit Type **Semi-Detached/Duplex** | Date (mm/dd/yyyy) **06/01/2025**

Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	$23.00	$27.00	$29.00	$31.00	$33.00	$36.00
	Bottle Gas						

Utility Allowance Schedule
See Public Reporting and Instructions on back.
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA **Housing Authority of the City of Austin, TX** | Unit Type **Single-Family (Detached House)** | Date (mm/dd/yyyy) **06/01/2025**

Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	$24.00	$28.00	$31.00	$33.00	$36.00	$39.00
	Bottle Gas						

Utility Allowance Schedule
See Public Reporting and Instructions on back.
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA **Housing Authority of the City of Austin, TX** | Unit Type **Manufactured/Mobile Home** | Date (mm/dd/yyyy) **06/01/2025**

Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	$20.00	$24.00	$25.00	$28.00	$31.00	$33.00
	Bottle Gas						
	Electric	$20.00	$24.00	$24.00	$25.00	$25.00	$26.00
	Fuel Oil						

Utility Allowance Schedule
See Public Reporting and Instructions on back.
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA **Housing Authority of the City of Austin, TX** | Unit Type: **Multi-Family-Energy Efficient** | Date (mm/dd/yyyy) **06/01/2025**

Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	$13.00	$16.00	$17.00	$19.00	$20.00	$23.00
	Bottle Gas						
	Electric	$8.00	$9.00	$11.00	$13.00	$15.00	$17.00
	Electric Heat Pump						
	Fuel Oil						

https://www.hacanet.org/landlords/

123

123

Utility Allowances: PHA Schedule

Allowance for Tenant-Furnished Utilities and Other Services
See Public Reporting Statement and Instructions on back
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 4/30/2014)

Locality: DALLAS HOUSING AUTHORITY | Unit Type: APT / CONDO / TOWNHOUSE | Date (mm/dd/yyyy): 01/01/2025

Utility or Service		Monthly Dollar Allowances					
		0BR	1BR	2BR	3BR	4BR	5BR
Heating	a. Natural Gas	$40	$43	$45	$47	$49	$52
	b. Bottle Gas	-	-	-	-	-	-
	c. Oil / Electric	$21	$24	$28	$32	$37	$41
	d. Coal/Other	-	-	-	-	-	-
Cooking	a. Natural Gas	$4	$4	$6	$8	$10	$12
	b. Bottle Gas	-	-	-	-	-	-
	c. Oil / Electric	$7	$9	$13	$17	$21	$24
	d. Coal/Other	-	-	-	-	-	-
Other Electric		$28	$33	$46	$59	$72	$85
Air Conditioning		$23	$27	$36	$45	$53	$62
Water Heating	a. Natural Gas	$8	$9	$13	$17	$22	$26
	b. Bottle Gas	-	-	-	-	-	-
	c. Oil / Electric	$17	$20	$26	$31	$36	$41
	d. Coal/Other	-	-	-	-	-	-
Water		$25	$28	$52	$110	$180	$250
Sewer		$43	$47	$74	$115	$156	$197
Trash Collection		$38	$38	$38	$38	$38	$38
Range (if tenant supplies)		$15	$15	$15	$15	$15	$15
Refrigerator (if tenant supplies)		$12	$12	$12	$12	$12	$12
Other – Microwave (if tenant supplies)							

Actual Family Allowances To be used by the family to compute allowance. Complete Below for the actual unit rented.

Name of Family

Address of Unit

Number of Bedrooms

Utility or Service	Per Month Cost
Heating	
Cooking	
Other Electic	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Range/Microwave	
Refrigerator	
Other	
Total	

Previous editions are obsolete | Page 1 of 1 | form HUD-52667(04/18) ref. Handbook 7420.8

Effective Date: Within 90 days

Posting: Not Required

Annual Review: When PHA publishes

Approval: Not required

124

124

Utility Allowances: Written Local Estimate

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
www.tdhca.texas.gov

Greg Abbott
Governor

Board Members
Leo Vasquez, Chair
Kenny Marchant, Vice Chair
Cindy Conroy, Member
Anna Maria Farias, Member
Holland Harper, Member
Ajay Thomas, Member

November 17, 2025

Writer's direct phone # (512)475-3821
Email: cara.peike@tdhca.texas.gov

Jeff [redacted]
[redacted] LP
[redacted] TX
[redacted]

RE: [redacted] CMTS ID: [redacted]

Dear Jeff [redacted]

The Texas Department of Housing and Community Affairs (Department) has received the request to implement an updated utility allowance on October 31, 2025 (This was a late submission and is due on October 1st or earlier in the future to avoid noncompliance.), for [redacted] to determine the utility allowance using the Written Local Estimate method described in 10 TAC §10.614(c)(3)(B). This satisfies the owner's requirement to notify the Department.

Please be advised, the Department has not reviewed the allowance; the Owner is responsible for ensuring compliance. Monitoring for rents and utility allowances will be included in the property's next regularly scheduled monitoring review. If there is noncompliance, corrective action will be required. Please see 10 TAC §10.614 for guidance.

Per 10 TAC §10.614(f), the allowance cannot be implemented until the estimate is submitted to the Department and is made available to the residents by posting in a common area of the leasing office at the Development. This action must be taken at the beginning of the 90-day period in which the Owner intends to implement the Utility Allowance. If the Owner fails to post the notice to the residents and simultaneously submit the request to the Department by the beginning of the 90-day period, the Department's approval or denial will be delayed for up to 90 days after Department notification.

Please see attached utility provider letter from the City of College Station dated September 15, 2025. The allowance was posted for residents on September 25, 2025; however it was not submitted to the Department at that time, the submission date is October 31, 2025, which begins the ninety (90) day notification period. If a resident of the development contacts the Department with relevant information during the notification period, the Department will contact the owner and request additional documentation. Otherwise, the updated utility allowance must be implemented for rent due 90 days after the beginning of the notification period for **rents due after January 28, 2026.**

221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800

CITY OF COLLEGE STATION
Home of Texas A&M University®

September 15, 2025

[redacted] Hinnes
[redacted]
College Station, TX 77840

RE: Utility Allowance Estimate

To Whom It May Concern:

In our opinion, as of this date, the monthly electric charge estimates listed below would apply for [redacted] above noted property located within the service area of College Station Utilities (CSU):

ELECTRIC - Utility Allowances	1 BR	2 BR
TOTAL	$ 70.00	$ 84.00

NOTES:

1. The above utility allowances are only an estimate.
2. The estimated cost of electric is for a unit of similar size and construction for the geographic area in which the building containing the unit is located.
3. The above utility allowances, by bedroom type, apply to all building configurations on this property.
4. Estimates based on an "Energy Conservative Household" and other criteria as defined by the Department of Housing and Urban Development (HUD).
5. Estimates are for electric charges only and include costs for heating, cooking, other ele (lighting, etc.), air conditioning, water heating and monthly customer charge.
6. The information provided is based on published rates and does not include competitive information.
7. This letter serves as a renewal for the letter previously issued by CSU dated 09/24/24.

Sincerely yours,

[redacted]
City Manager

City Manager's Office
P.O. BOX 9960 • 1101 TEXAS AVENUE • COLLEGE STATION • TEXAS • 77842
TEL. 979.764.3510 • FAX. 979.764.6377
cstx.gov

Effective Date: 90 days from the date of the provider letter

Posting: Required on the date of the provider letter

Annual Review: Once per calendar year

Acknowledgement: From TDHCA

125

125

Utility Allowances: Energy Consumption Model

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
www.tdhca.texas.gov

Greg Abbott
Governor

Board Members
Leo Vasquez, Chair
Kenny Marchant, Vice Chair
Cindy Conroy, Member
Anna Maria Farias, Member
Holland Harper, Member
Ajay Thomas, Member

November 14, 2025

Writer's direct phone # (512) 475-3221
Email: andrea.arshadmanesh@tdhca.texas.gov

[redacted]
[redacted] LLC
[redacted] CA
[redacted]

RE: [redacted] CMTS ID: [redacted]

Dear [redacted]

The Texas Department of Housing and Community Affairs (Department) has received the request submitted on October 31, 2025, by [redacted] to calculate the utility allowance using the Energy Consumption Model method described in 10 TAC §10.614(c)(3)(D).

Your request is hereby granted. This approval is based on the representation that the current residents are financially responsible for electric, that the utility is not paid to or through the owner of the building based on an allocation formula or RUBS; and, that the Development does not have HUD-Regulated buildings, RHS assisted buildings or RHS assisted tenants. Please note that, in accordance with Treasury Regulation §1.42-10, the utility allowance for those units occupied by Section 8 voucher holders remain the applicable Public Housing Authority utility allowance established from where the resident receive the assistance.

The Notice to the Residents was posted on October 31, 2025, which begins the 90-day notification period. Please note that a resident of the development could contact the Department with additional information during the notification period. If the information is relevant, the Department may contact the owner and request additional documentation. ***The following utility allowances are effective for rents due after January 28, 2026:***

	Energy Consumption Model
2 Bedroom	$68.00

It is the sole responsibility of the owner to implement the allowance to ensure that rents are restricted and, if applicable, all additional rent and occupancy restrictions are met. The Department will review rents during the next monitoring review and, failure to implement timely, will result in noncompliance.

221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800

ENERCON
Excellence—Every project. Every day.

[redacted]
[redacted] TX 77338

October 31, 2025

RE: Utility Allowance Estimate

To Whom It May Concern:

In our opinion, as of this date, the monthly utility charge estimat noted property:

Electric Utility Allowances	
Electric Utility Allowances	$
TOTAL ALLOWANCES ROUNDED UP	$

NOTES:

1. The above utility allowances were produced using an engineer approved Energy Consumption Model.
2. The model has been calculated by a properly licensed in related to the Owner within the meaning of §267(b) or §70
3. Estimates for electric charges were developed using the certain local electric utility provider, who is able to service on the Power to Choose website located at http://www.po were less than 45 days old as of the date on this letter.
   a. Estimates include electric costs for heating; c conditioning; water heating; all monthly compone
4. The Energy Consumption Model used for this property tal the following items:
   a. Property location
   b. Year of construction
   c. Unit square footage
   d. Unit type based on number of bedrooms
   e. Load occupancy based on number of bedrooms
   f. Building type
   g. Construction materials
   h. Wall/ceiling insulation
   i. Type/size of HVAC, appliances and water heaters
   j. HVAC SEER/SEER2 rating
   k. Heating Degree Days
   l. Cooling Degree Days

12470 Telecom Drive Suite 401 Temple Terrace, FL 33637 phone 813.

Page 2 of 2

Effective Date: 60 days after the end of the last month of the 12-month period for which data was used to compute the estimate

Posting: Should be the date of the Engineer letter and must be submitted on that date for review

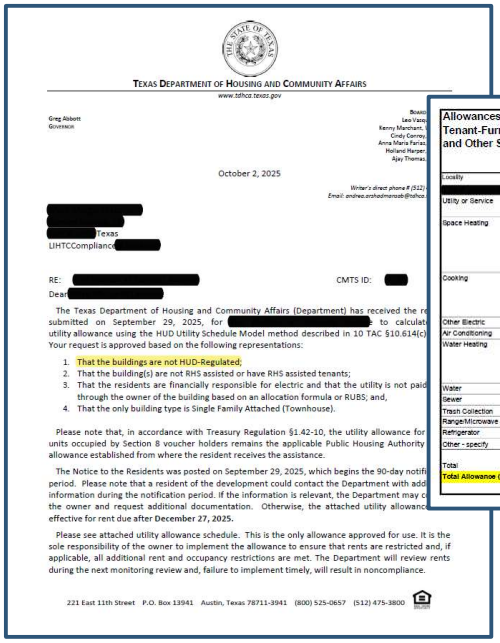
Annual Review: Once per calendar year, must include Engineer's license

Approval: From TDHCA

126

126

Utility Allowances: HUD Utility Schedule Model


TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
www.tdhca.texas.gov

October 2, 2025

RE: [redacted] CMTS ID: [redacted]

Dear [redacted]

The Texas Department of Housing and Community Affairs (Department) has received the re
submitted on September 29, 2025, for [redacted] to calculat
utility allowance using the HUD Utility Schedule Model method described in 10 TAC §10.614(c)
Your request is approved based on the following representations:

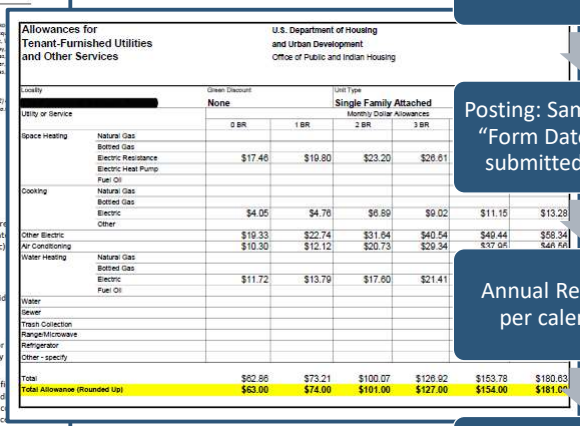
1. That the buildings are not HUD-Regulated;
2. That the building(s) are not RHS assisted or have RHS assisted tenants;
3. That the residents are financially responsible for electric and that the utility is not paid through the owner of the building based on an allocation formula or RUBS; and,
4. That the only building type is Single Family Attached (Townhouse).

Please note that, in accordance with Treasury Regulation §1.42-10, the utility allowance for units occupied by Section 8 voucher holders remains the applicable Public Housing Authority allowance established from where the resident receives the assistance.

The Notice to the Residents was posted on September 29, 2025, which begins the 90-day notifi period. Please note that a resident of the development could contact the Department with add information during the notification period. If the information is relevant, the Department may c the owner and request additional documentation. Otherwise, the attached utility allowanc effective for rent due after **December 27, 2025.**

Please see attached utility allowance schedule. This is the only allowance approved for use. It is the sole responsibility of the owner to implement the allowance to ensure that rents are restricted and, if applicable, all additional rent and occupancy restrictions are met. The Department will review rents during the next monitoring review and, failure to implement timely, will result in noncompliance.

221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800


Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Locality	Green Discount	Unit Type
[redacted]	None	Single Family Attached

Utility or Service		Monthly Dollar Allowances 0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating	Natural Gas						
	Bottled Gas						
	Electric Resistance	$17.46	$19.80	$23.20	$26.61		
	Electric Heat Pump						
	Fuel Oil						
Cooking	Natural Gas						
	Bottled Gas						
	Electric	$4.05	$4.76	$6.89	$9.02	$11.15	$13.28
	Other						
Other Electric		$19.33	$22.74	$31.64	$40.54	$49.44	$58.34
Air Conditioning		$10.30	$12.12	$20.73	$29.34	$37.95	$46.56
Water Heating	Natural Gas						
	Bottled Gas						
	Electric	$11.72	$13.79	$17.60	$21.41		
	Fuel Oil						
Water							
Sewer							
Trash Collection							
Range/Microwave							
Refrigerator							
Other - specify							
Total		$62.86	$73.21	$100.07	$126.92	$153.78	$180.63
Total Allowance (Rounded Up)		$63.00	$74.00	$101.00	$127.00	$154.00	$181.00

Effective Date: 90 days from the "Form Date"

Posting: Same day as the "Form Date" and date submitted to TDHCA

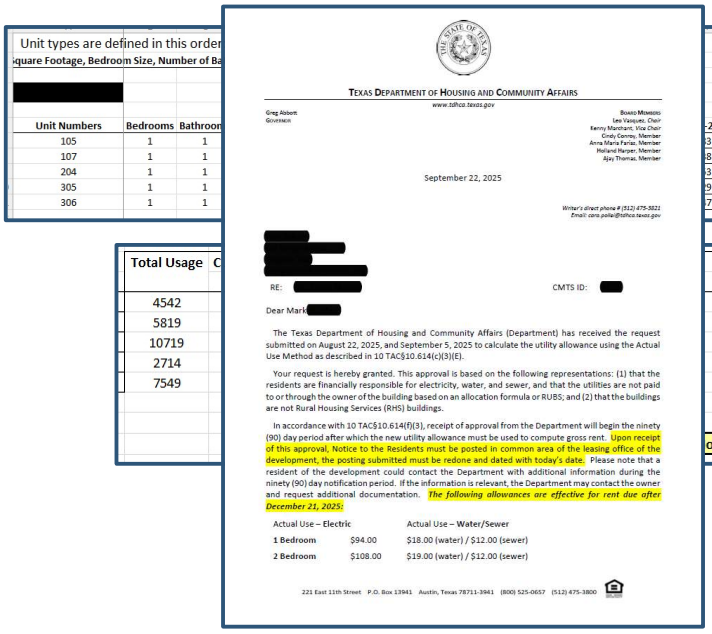
Annual Review: Once per calendar year

Approval: From TDHCA

127

127

Utility Allowances: Actual Use Method


Unit types are defined in this order
Square Footage, Bedroom Size, Number of Ba

Unit Numbers	Bedrooms	Bathroom
105	1	1
107	1	1
204	1	1
305	1	1
306	1	1

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
www.tdhca.texas.gov

September 22, 2025

RE: [redacted] CMTS ID: [redacted]

Dear Mark [redacted]

The Texas Department of Housing and Community Affairs (Department) has received the request submitted on August 22, 2025, and September 5, 2025 to calculate the utility allowance using the Actual Use Method as described in 10 TAC§10.614(c)(3)(E).

Your request is hereby granted. This approval is based on the following representations: (1) that the residents are financially responsible for electricity, water, and sewer, and that the utilities are not paid to or through the owner of the building based on an allocation formula or RUBS; and (2) that the buildings are not Rural Housing Services (RHS) buildings.

In accordance with 10 TAC§10.614(f)(3), receipt of approval from the Department will begin the ninety (90) day period after which the new utility allowance must be used to compute gross rent. Upon receipt of this approval, Notice to the Residents must be posted in common area of the leasing office of the development, the posting submitted must be redone and dated with today's date. Please note that a resident of the development could contact the Department with additional information during the ninety (90) day notification period. If the information is relevant, the Department may contact the owner and request additional documentation. *The following allowances are effective for rent due after December 21, 2025:*

Actual Use – Electric		Actual Use – Water/Sewer
1 Bedroom	$94.00	$18.00 (water) / $12.00 (sewer)
2 Bedroom	$108.00	$19.00 (water) / $12.00 (sewer)

221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800

Effective Date: Date the allowance is approved by the Department

Posting: Date approval is received from TDHCA

Annual Review: Once per calendar year, must be submitted by 8/1

Approval: From TDHCA

128

128

Utility Allowances: Annual Review

- **Requirements for Annual Review**
- USDA/Rural Development and HUD Project Based Funding Utility Allowances
  - The owner must demonstrate that the utility allowance has been reviewed annually and in accordance with USDA/RD and HUD regulations
- PHA Method
  - Owners are responsible for periodically determining if the applicable PHA released an updated schedule to ensure timely implementation. When a new allowance is made available by the PHA, it can be implemented immediately, but must be implemented for rent due 90 days after the effective date
- Written Local Estimate (WLE), HUD Utility Model Schedule (HUSM) and Energy Consumption Model (ECM)
  - Owners must update the allowance once a calendar year. The update and all back-up documentation MUST be submitted to the Department **no later than October 1st** of each year
- Actual Use Method
  - Owners must update once a calendar year. The update and all back-up documentation MUST be submitted **no later than August 1st** of each year
- **A utility allowance is considered implemented once the Unit Status Report (USR) is updated and rents are restricted.**

129

129

Utility Allowances: Annual Review Not Submitted

Except for MFDL developments, if an Owner fails to submit for annual review during the calendar year, the Development's Utility Allowance will default to the applicable PHA allowance. If the Development is in an area that does not have a PHA, the Development fails to have a properly calculated Utility Allowance.

130

130

Utility Allowances: How to Handle Changes

An Owner may not change methodologies or the utilities that a resident is financially responsible for without prior written Department approval.

- The Department will review all requests, except for the "Actual Use" methodology which is 45 days, within 90 days of the receipt of the request
- **If the owner fails to post the notice to the residents AND simultaneously submit the request to the Department by the beginning of the 90-day period, the approval or denial will be delayed for up to 90 days after the Department notification**

*** Once approval to start or stop charging for a utility is received, owners must implement the change in utilities charged at the time of each household's lease renewal, and no sooner. ***

131

131

Utility Allowances: Combining Methodologies

- **In general, owners may combine any methodology described in §10.614 for each utility service type paid directly by the resident and not by or through the owner of the building**
  - Example: If residents are responsible for electricity and gas, an owner may use the appropriate PHA allowance to determine the gas portion of the allowance and use the HUD Model to determine the electric portion of the allowance
- **USDA/RD and HUD-Regulated buildings (including those HUD-Regulated by MFDL funds) are not allowed to combine methodologies**

Be careful… different methods have different annual review requirements and effective dates.

132

132

Utility Allowances: At Application

If the application includes USDA/RD assisted buildings or tenants, the UA is prescribed by the USDA/RD program; no other method is allowed

Upon request, the Compliance Division (UA Team) will calculate or review an allowance within 21 days, but no earlier than 90 days, from when the application is due

Any of the five (5) methodologies (Written Local Estimate, HUD Model, PHA, Energy Consumption Model, or Actual Use Method)

The Owner is not required to review the utility allowances, or implement new allowances, until the building has achieved 90% occupancy for a period of 90 consecutive days, or the end of the first year of the Credit Period, if applicable, whichever is earlier.

Any requests for new resources (either additional funds or Tax Credits) on a Development with an existing Department LURA must use the method that is in effect on the existing Development. If the Owner wishes to change or if for an MFDL application is required to change the methods for the purposes of the application, a request for the existing Development must first be submitted to the Compliance Division for approval.

133

133

Utility Allowances: How to Submit

Application

- Must be submitted directly to UA-Application@tdhca.texas.gov
- Include the "Utility Allowance Questionnaire

Existing Established

- CMTS
- wance
- Under "Type" for the drop-down box, select Utility Allowance Documents

All requests for existing/established developments described in this section must be complete and uploaded directly to the Development's CMTS account using "Utility Allowance Documents" in the type field and "Utility Allowance" as the TDHCA Contact.

The Department will not approve requests that are incomplete and/or are not submitted correctly.

134

134

Utility Allowances: Learning Point 1

Tax Credit Developments can use any of the 7 methodologies to calculate the utility allowance?

A True

B False

135

135

Utility Allowances: Learning Point 2

A Housing Choice Voucher (Section 8) household in the building makes the entire building HUD-regulated, true or false?

A True

B False

136

136

Utility Allowances: Learning Point 3

What utility allowance do I use if I have both USDA/RD assisted buildings and HUD-regulated buildings?

- A USDA/RD Approval Letter
- B HUD Rent Schedule
- C Whatever assistance the unit receives
- D None of the above
- E I don't know

137

137

Utility Allowances: Learning Point 4

What date should my HUD issued Utility Allowance be updated on the Unit Status Report?

- A At household renewal
- B On the HUD Rent Schedule effective date
- C Whatever date the owner chooses
- D None of the above
- E Any of the above

138

138

Utility Allowances: Learning Point 5

A household that has a Section 8 Voucher, what is the Utility Allowance for that unit on a Tax Credit property?

A. The approved Utility Allowance methodology for the development

B. The approved Utility Allowance from the Public Housing Authority that issued the voucher

C. The most applicable PHA for the Development

139

139

Utility Allowances: Learning Point 6

When the UA goes into effect, does it affect households on the effective date of the UA or at household recertification?

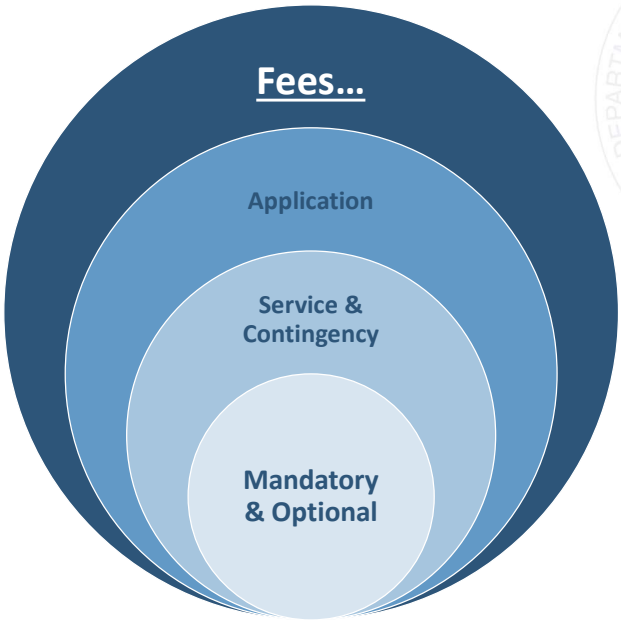
A. On the utility allowance effective date, the USR should be updated with the current UA and any rent adjustments made

B. At recertification the USR should be updated at that time with the current UA and any rent adjustments made

140

140

Fees



141

141

Fees: Included in Eligible Basis

Common Areas

Covered Parking

Garages

Swimming Pool

Storage Units

If these items are included in eligible basis the tenants cannot be charged for their use, even market rate households!

142

142

Fees: Application Fees

NO deposit or fee may be charged for a household to be placed on a waiting list.

Application fees are supported based on how the property is charged

- Flat fee per month regardless of how many applications are processed
- Cost per individual application processed
- Per household admin fee as outlined in 10 TAC §10.622(c)(1)

Application processing is limited to the actual out-of-pocket cost to the owner for checking household's credit history and landlord references

143

143

Fees: Application Fees – Flat Fee

Access Fees	Qty	Item Charge	Net Charge	S&H	Tax	Ext Charge
RealPage Certified Documents						
Monthly Fees; Unit Pricing; 144 Unit(s); Period 10/01/2025 to 10/31/2025 1.00 Qty(s),144 Unit(s),Total = $43.2000	144.00	0.3000	43.20	0.00	2.85	46.05
LeasingDesk Screening Enterprise						
Monthly Fees; Unit Pricing; 122 Unit(s); Period 10/01/2025 to 10/31/2025 144 Unit(s) is adjusted to 122 Qty. based on PPU of 85% Charged at $1.9600 per Unit	122.00	1.9600	239.12	0.00	19.73	258.85
EasyLMS @ easyLogManagement System						
Monthly Fees; Unit Pricing; 144 Unit(s); Period 10/01/2025 to 10/31/2025	144.00	0.4300	61.92	0.00	4.09	66.01

OneSite Rents v3.0 — Page 8 of 8

10/23/2025 10:03:47AM — 120.080.324

RESIDENT ACTIVITY

10/01/2024 through 09/30/2025

Parameters: Sort by -Unit ; Resident Status -Cancelled/Denied,Move-ins ; Program - All

					Leasing Consultant	Deposits On Hand	Ledger Balance
[redacted]	Kimberly	0.00	0.00
[redacted]	Kimberly	0.00	0.00
[redacted]	Kimberly	0.00	0.00
[redacted]	Kimberly	0.00	0.00
[redacted]	Connie	0.00	0.00
[redacted]	Connie	0.00	0.00
Trevon: [redacted] Isha	Former applicant	36-3604	12/19/2024	Poor Rental History	[redacted] Connie	0.00	0.00

Totals = Move-Ins: 111 Cancelled/Denied: 106

111 move-ins + 106 cancelled/denied = **217 total**

$258.85 monthly x 12 months = **$3,106.20 annual expense**

$3,106.20 per year ÷ annual apps 217 = **$14.31 per applicant**

$5.65 Admin Fee per Household per §10.622

Initial Application Fee $19.96, each thereafter $14.31

144

144

Fees: Application Fees – Individual Fee

Example 1:

REALPAGE Outperform | LeasingDesk Resident Screening

Internal Use

January 5, 2024

[redacted]

Dear [redacted]

This [redacted] property [redacted] Business [redacted] price [redacted] 06/0[redacted] repr[redacted]

Application fee is **$15.35 each**
$5.65 Admin Fee per Household per §10.622

Initial Application Fee $21.00, each thereafter $15.35

RealPage Screening Product	Charge
Screening AI Enterprise	$15.35*
LeasingDesk Screening Business Credit Report	$40.00*
*Total Price excluding taxes where applicable**	

Very truly yours,

[redacted]

[redacted]

Billing Analyst, LeasingDesk Screening

REALPAGE

Example 2:

REALPAGE

INVOICE

Invoice No	Account No	Ref. No	Invoice Date	Page No
[redacted]			10/16/2025	2 of 2

Access Fees	Qty	Item Charge	Net Charge	S&H	Tax	Ext Charge
RealPage Payments RealPage Spend Management in Accounting SDE-NWP						
LOFT Loyalty Monthly Fees; Unit Pricing; 60 Unit(s); Period 11/01/2025 to 11/30/2025 1.00 Qty(s),60 Unit(s),Total = $0.0000 Charged at flat price of $0.0000 per Unit	60.00	0.0000	0.00	0.00	0.00	0.00
		Total	269.39	0.00	22.22	291.61

Transaction Fees	Qty	Item Charge	Net Charge	S&H	Tax	Ext Charge
Screening AI Enterprise 09/04/2025 - AppID 30188[redacted] 09/04/2025 - AppID 30189[redacted] 09/08/2025 - AppID 30190[redacted] 09/17/2025 - AppID 30191[redacted]	4.00	18.8200	75.28	0.00	6.21	81.49
LeasingDesk Screening Identity Verification 09/04/2025 - AppID 30188[redacted] 09/04/2025 - AppID 30189[redacted] 09/08/2025 - AppID 30190[redacted] 09/17/2025 - AppID 30191[redacted]	4.00	4.0900	16.36	0.00	1.35	17.71
		Total	91.64	0.00	7.56	99.20

$99.20 total ÷ 4 total applications =
$24.80 each
$5.65 Admin Fee per Household per §10.622

Initial Application Fee $30.45, each thereafter $24.80

145

145

Fees: Allowable Fees

Contingency Fees
- Late Rent Fee
- Re-letting Fee
- Fee to Repair Damages

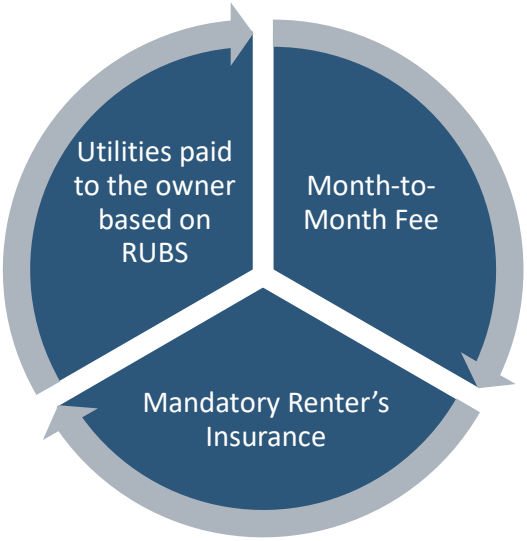
Provisions of Service
- Sure Deposit
- Meals
- Hair Salon

146

146

Fees: Mandatory Fees

Mandatory Fees: Fees as a Condition of Occupancy



147

147

Disallowed Fees

- Admin fees for submetered water and sewer billing for Housing Tax Credit households and households receiving Section 8 Vouchers
- Charges for copies of the paperwork for the low-income unit
- Fees to use the clubhouse/amenities
- Fees for preparing a unit for occupancy
- Fees for assistance with application and tenancy paperwork
- Assistance animal fees and deposits
- Fees or Deposits to be placed on the waitlist
- Make-ready costs that are not beyond normal wear and tear
- Fees for third party verification methods (i.e. the Work Number)
- Fees to pay rent online when there is not a free option
- Section 811 PRA does not allow for any type of fee

148

148

Fees: Learning Point 1

Can a fee be charged for amenities after the Development has completed the Federal Compliance Period?

A. Yes, after the first 15 years, TDHCA and the IRS no longer monitor fees for amenities

B. No, if the cost of the amenity was included in the Eligible Basis, the property may never charge a fee for it

149

149

Fees: Learning Point 2

Can an owner impose 'visitor parking fees' since visitors are not Tax Credit tenants?

A. No, the parking lot was included in eligible basis and cannot be charged for, even to guests

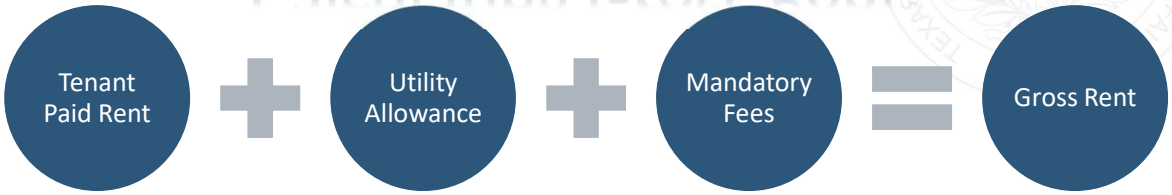
B. Yes, operating a property is expensive and an owner must find avenues for ancillary income

150

150

Gross Rent

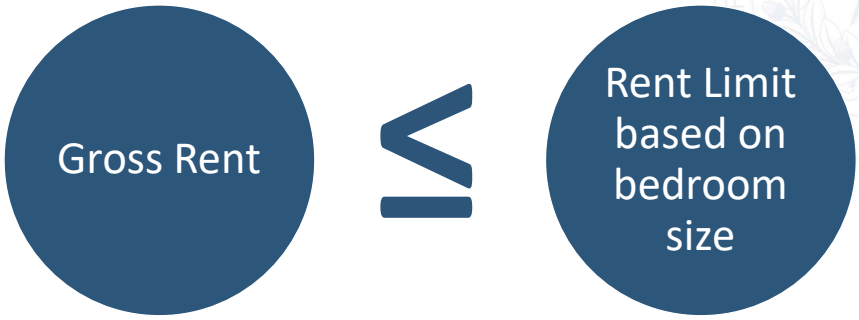
Calculating Gross Rent:



151

151

Gross Rent and the Rent Limit



152

152

Gross Rent: Prohibition – Once in 12-Month Period

Per 10 TAC §10.622(k); Owners are not permitted to increase the household portion of rent more than once during a 12-month period, even if there are increases in rent limits or decreases in utility allowances, unless the Unit or household is governed by a federal housing program that requires such changes or the household transfers to a Unit with additional Bedrooms. If it is determined that the Development increases rent more than once in a 12-month period, the Department will require the Owner to refund or credit the affected household. The Owner must obtain in writing, from the household, the election to receive a full refund check or to have the entire overpaid amount credited to their household account. In the absence of a tenant election, a full refund check must be presented to the household.

153

153

Gross Rent: Prohibition – $75 increase, or More

Per 10 TAC §10.622(l); If an Owner is increasing a household's rent $75 or more per month, the Owner is required to provide the household a 75-day written notice of such increase, unless the Unit or household is governed by a federal housing program that allows for such a change. If an Owner increases the household's rent $75 or more without providing a 75-day notice, any amounts in excess of $75 per month must be refunded or credited to the affected household(s). The Owner must obtain in writing, from the household, the election to receive a full refund check or to have the entire overpaid amount credited to their household account. In absence of a tenant election, a full refund check must be presented to the household.

154

154

Gross Rent: Prohibition – No Fee to Pay Rent

Per 10 TAC §10.622(m); Owners must provide an option to pay rent in a manner that does not involve additional out of pocket costs to the household.

155

155

Gross Rent: Testing Example 1

Building #: 05

UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	HOUSING ASSIST. PAYMENT	# BRs	TIC DATE	RE CERT	HH SIZE		UNIT QUALIFICATIONS	811 Unit	MEETS SPECIAL NEEDS REQ.
0511	07/03/2025		[redacted]	57600	1450	327		4	07/03/2025	N	4	Income Rent	LIHTC: 50 BOND: 60 LIHTC: 50 BOND: 50	N	No
0512	10/26/2023		[redacted]	52575	1500	327		4	10/26/2025	Y	7	Income Rent	LIHTC: 50 BOND: 60 LIHTC: 50 BOND: 50	N	
0513	06/06/2025		[redacted]	44320	1199	287		3	06/06/2025	N	4	Income Rent	LIHTC: 50 BOND: 60 LIHTC: 50 BOND: 50	N	No
0514	12/23/2024		[redacted]	29505	1200	287		3	12/23/2024	N	4	Income Rent	LIHTC: 60 BOND: 60 LIHTC: 60 BOND: 50	N	
0521	02/16/2024		[redacted]	66068	1351	287		3	02/16/2025	Y	5	Income Rent	LIHTC: 60 BOND: 60 LIHTC: 60 BOND: 50	N	Yes
0522	03/29/2025		[redacted]	55299	1351	287		3	03/29/2025	N	4	Income Rent	LIHTC: 60 BOND: 60 LIHTC: 60 BOND: 50	N	
0523	01/02/2018		[redacted]	43521	1351	287		3	01/02/2025	Y	4	Income Rent	LIHTC: 60 BOND: 60 LIHTC: 60 BOND: 50	N	
0524	04/03/2025		[redacted]	72585	1351	287		3	04/			Income	LIHTC: 60 BOND:		

Rent Limits

Rent	0	1	2	3		5
20	468	502	602	696		856
30	702	753	903	1044	1164	128
40	937	1004	1205	1392	1553	
50	1171	1255	1506	1740	1941	
60	1405	1506	1807	2088	2329	
65	1522	1631	1958	2262	2523	2
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

$1,351 + $287 + $0 = $1,638

$1,638 ≤ $2,088

156

156

Gross Rent: Testing Example 1 with BOND

Building #: 05

UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	HOUSING ASSIST. PAYMENT	# BRs	TIC DATE	RE CERT	HH SIZE		UNIT QUALIFICATIONS	811 Unit	MEETS SPECIAL NEEDS REQ.
0511	07/03/2025		[redacted]	57600	1450	327		4	07/03/2025	N	4	Income Rent	LIHTC: 50 BOND: 60 LIHTC: 50 BOND: 50	N	No
0512	10/26/2023		[redacted]	52575	1500	327		4	10/26/2025	Y	7	Income Rent	LIHTC: 50 BOND: 60 LIHTC: 50 BOND: 50	N	
0513	06/06/2025		[redacted]	44320	1199	287		3	06/06/2025	N	4	Income Rent	LIHTC: 50 BOND: 60 LIHTC: 50 BOND: 50	N	No
0514	12/23/2024		[redacted]	29505	1200	287		3	12/23/2024	N	4	Income Rent	LIHTC: 60 BOND: 60 LIHTC: 60 BOND: 50	N	
0521	02/16/2024		[redacted]	66068	1351	287		3	02/16/2025	Y	5	Income Rent	LIHTC: 60 BOND: 60 LIHTC: 60 BOND: 50	N	Yes
0522	[illegible]		[redacted]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	N	[illegible]	Income Rent	LIHTC: 60 BOND: 60 LIHTC: 60 BOND: 50	N	
0523	01/02/2018		[redacted]	43521	1351	287		3	01/02/2025	Y	4	Income Rent	LIHTC: 60 BOND: 60 LIHTC: 60 BOND: 50	N	
0524	04/03/2025		[redacted]	72585	1351	287		3	04/[illegible]			Income	LIHTC: 60 BOND[illegible]		

Rent Limits

Rent	0	1	2	3	[illegible]	5
20	468	502	602	696	[illegible]	856
30	702	753	903	1044	1164	128[illegible]
40	937	1004	1205	1392	1553	[illegible]
50	1171	1255	1506	1740	1941	[illegible]
60	1405	1506	1807	2088	2329	[illegible]
65	1522	1631	1958	2262	2523	[illegible]
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

$1,351 + $287 + $0 = $1,638

$1,638 ≤ $1,740

157

157

Gross Rent: Testing Example 2

Building #: 06

UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	HOUSING ASSIST. PAYMENT	# BRs	TIC DATE	RE CERT	HH SIZE		UNIT QUALIFICATIONS	811 Unit	MEETS SPECIAL NEEDS REQ.
0611	04/01/2016		[redacted]	22835	1351	287		3	04/01/2025	Y	4	Income Rent	LIHTC: 50 [redacted] LIHTC: 50	N	
0612	06/24/2024		[redacted]	64951	1851	287		3	06/24/2025	Y	3	Income Rent	LIHTC: 60 [redacted] LIHTC: 60	N	
0621	01/21/2025		[redacted]	38871	1801	287		3	01/21/2025	N	5	Income	LIHTC: 60 [redacted]	N	Yes
0622	09/08/2023														

Uh oh, We have noncompliance!

Rent Limits

Rent	0	1	2	3	[illegible]	5
20	468	502	602	696	[illegible]	856
30	702	753	903	1044	1164	128[illegible]
40	937	1004	1205	1392	1553	[illegible]
50	1171	1255	1506	1740	1941	[illegible]
60	1405	1506	1807	2088	2329	[illegible]
65	1522	1631	1958	2262	2523	[illegible]
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

$1,851 + $287 + $0 = $2,138

$2,138 > $2,088

158

158

Gross Rent: Testing Example 3

Building #: 06

UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID	UTILITY ALLOW.	HOUSING ASSIST.	# BRs	TIC DATE	RE CERT	HH SIZE		UNIT QUALIFICATIONS	811 Unit	MEETS SPECIAL
0611	04/01/2016		[redacted]												
0612	06/24/2024		[redacted]												
0621	01/21/2025		[redacted]	38871	1801	287		3	01/21/2025	N	5	Income Rent	LIHTC: 60 LIHTC: 60 [redacted]	N	Yes
0622	09/08/2023		[redacted]	49036	1351	287		3	09/08/2025	Y	1	Income Rent	LIHTC: 60 LIHTC: 60 [redacted]	N	

Uh oh, We have noncompliance!

Rent Limits

Rent	0	1	2	3		5
20	468	502	602	696		856
30	702	753	903	1044	1164	128
40	937	1004	1205	1392	1553	
50	1171	1255	1506	1740	1941	
60	1405	1506	1807	2088	2329	
65	1522	1631	1958	2262	2523	
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

$1,801 + $287 + $20 = $2,108

$2,108 > $2,088

159

159

Gross Rent: Testing Example 4 – Average Income

Building #: 4

UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	HOUSING ASSIST. PAYMENT	# BRs	TIC DATE	RE CERT	HH SIZE		UNIT QUALIFICATIONS	811 Unit	MEETS SPECIAL NEEDS REQ.
2585	09/01/2022	08/21/2025	[redacted]	25135.2	601	81	873	1	09/01/2025	Y	1	Income Rent	LIHTC: 60 LIHTC: 60	N	
2586	02/14/2025		[redacted]	29353.2	975	81		1	02/14/2025	N	1	Income Rent	LIHTC: 50 LIHTC: 50	N	No
2587	08/18/2022	03/31/2025	[redacted]	97094.14	1525	81		1	08/18/2025	Y	1	Income Rent	LIHTC: Mkt LIHTC: Mkt	N	
2588	01/24/2023		[redacted]	13378.8	271	106	1140	2	01/24/2025	Y	1	Income Rent	LIHTC: 60 LIHTC: 60	N	No
2589	09/19/2025	08/31/2025		20764.8	590	71		0	09/19/2025	N	1	Income Rent	LIHTC: 30 LIHTC: 30	N	
2591	09/01/2022		[redacted]	46078.92	1904	106		2	09/01/2024	Y	1	Income	LIHTC: 80 LIHTC: 80	N	No

Rent Limits

Rent	0	1	2	3	4	
20	468	502	602	696	77	
30	702	753	903	1044	1164	1285
40	937	1004	1205	1392	1553	1713
50	1171	1255	1506	1740	1941	2141
60	1405	1506	1807	2088	2329	2570
65	1522	1631	1958	2262	2523	2784
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

$975 + $81 + $0 = $1,056

$1,056 < $1,255

160

160

Gross Rent: Testing Example 5 – Average Income

Building #: 4

UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	HOUSING ASSIST. PAYMENT	# BRs	TIC DATE	RE CERT	HH SIZE		UNIT QUALIFICATIONS	811 Unit	MEETS SPECIAL NEEDS REQ.
2585	09/01/2022	08/21/2025	[redacted]	25135.2	601	81	873	1	09/01/2025	Y	1	Income Rent	LIHTC: 60 LIHTC: 60	N	
2586	02/14/2025		[redacted]	29353.2	975	81		1	02/14/2025	N	1	Income	LIHTC: 50 LIHTC: 50	N	No
2587	08/18/2022	03/31/2025													
2588	01/24/2023											Rent			
2589	09/19/2025	08/31/2025		20764.8	590	71		0	09/19/2025	N	1	Income Rent	LIHTC: 30 LIHTC: 30	N	
2591	09/01/2022		[redacted]	46078.92	1904	106		2	09/01/2024	Y	1	Income	LIHTC: 80 LIHTC: 80	N	No

Uh oh, We have noncompliance!

Rent Limits

Rent	0	1	2	3	4	
20	468	502	602	696	77	
30	702	753	903	1044	1164	1285
40	937	1004	1205	1392	1553	1713
50	1171	1255	1506	1740	1941	2141
60	1405	1506	1807	2088	2329	2570
65	1522	1631	1958	2262	2523	2784
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

$1,904 + $106 + $0 = $2,010

$2,010 > $2,008

161

161

Gross Rent: How to Correct

In accordance with 10 TAC §10.622(a):

- If it is determined that an HTC Development, during the Compliance Period, collected rent more than the rent limit established by the minimum set-aside, the Owner must correct the violation by **reducing** the rent charged.
- The Department will report the violation as corrected on **January 1st** of the year following the violation.
- The refunding of overcharged rent does not avoid the disallowance of the credit by the IRS.

162

162

Additional Rent & Occupancy: Testing Example

Building #: 05

UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	HOUSING ASSIST. PAYMENT	# BRs	TIC DATE	RE CERT	HH SIZE	UNIT QUALIFICATIONS		811 Unit	MEETS SPECIAL NEEDS REQ.
0511	07/03/2025		[redacted]	57600	1450	327		3	07/03/2025	N	4	Income Rent	LIHTC: 50 LIHTC: 50 [redacted]	N	No
0512	10/26/2023		[redacted]	52575	1500	327		4	10/26/2025	Y	7	Income Rent	LIHTC: 50 LIHTC: 50 [redacted]	N	
0513	06/06/2025		[redacted]	44320	1199	287		3	06/06/2025	N	4	Income	LIHTC: 50 LIHTC: 50 [redacted]	N	No
0514	12/23/2024		[redacted]												

Uh oh, We have noncompliance!

Rent Limits

Rent	0	1	2	3		5
20	468	502	602	696		850
30	702	753	903	1044		1285
40	937	1004	1205	1392	1553	1713
50	1171	1255	1506	1740	1941	2141
60	1405	1506	1807	2088	2329	2570
65	1522	1631	1958	2262	2523	2784
70	1639	1757	2108	2436	2717	2998
80	1874	2008	2410	2784	3106	3427

$1,450 + $327 + $0 = $1,777

$1,777 > $1,740

163

163

Additional Rent & Occupancy: Testing Example; How to Correct

In accordance with 10 TAC §10.622(b):

- **Refund** or **credit**, the excess amount collected to the affected household.

age paid by the household,
efund/credit the excess amount collected,

ledger to evidence the reduced ren

- The noncompliance will be conside
overcharged rent was refunded/cre
rent plus the utility allowance is eq

The Owner must obtain in writing, from the household, the election to receive a full refund check or to have the entire overpaid amount credited to their household account. In the absence of a tenant election, a full refund check must be presented to the household within thirty days.

164

164

Gross Rent: Learning Point 1

Where in the gross rent calculation does the housing assistance belong?

A Tenant Paid Portion of Rent

B Mandatory Fee

C Utility Allowance

D Not included

165

165

Gross Rent: Learning Point 2

Where in the gross rent calculation does the Pet Rent belong?

A Tenant Paid Portion of Rent

B Mandatory Fee

C Utility Allowance

D Not included

166

166

Gross Rent: Learning Point 3

Where in the gross rent calculation does the mandatory renter's insurance belong?

A Tenant Paid Portion of Rent

B Mandatory Fee

C Utility Allowance

D Not included

167

167

Gross Rent: Learning Point 4

If an owner is required to adjust rent for a gross rent issue of noncompliance during the compliance period, can they give a refund to the tenant to correct the noncompliance, true or false?

A True

B False

168

168

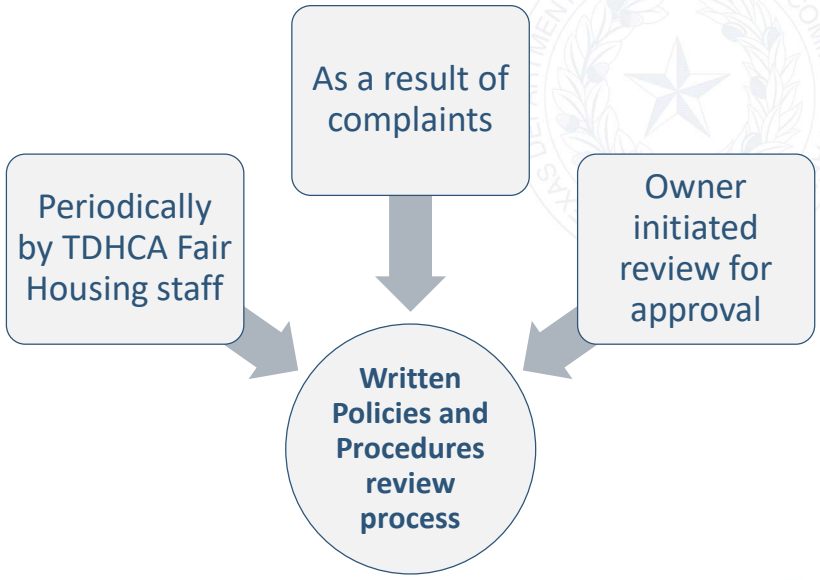
Module 5

Maintaining Compliance

169

169

Compliance: Written Policies and Procedures



Owner initiated review and TDHCA approval does not guarantee future compliance.

To request a review, the owner must email fair.housing@tdhca.texas.gov to initiate the process.

Maintain current and prior versions of the Tenant Selection Criteria.

170

170

Eligibility: 5 Basic Steps

1. Screening through the application process
2. Determine the household composition
3. Document income & assets
4. Annualize income
5. Complete Income Certification

171

171

Eligibility: Section 8 Verification

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

_____ has applied for residency/is a resident of_____.
(Applicant/Resident Name) (Property Name)
a TDHCA Affordable Housing Program property. In the case of a tenant receiving housing assistance payments under HUD's Section 8 Existing Housing Choice Program, regulations allow that if the PHA provides a statement to the building owner declaring that the tenant's income does not exceed the applicable limit, then the owner is not required to further verify the tenant's income.

Number of Household Members: _____ ☐ Move-In ☐ Recertification

Permission by: _____ _____
(Signature of Applicant/Resident) (Date)

Please complete the section below and return this form in the enclosed self-addressed, stamped envelope.
Thank you in advance for your prompt attention.

Sincerely,

THE FOLLOWING TO BE COMPLETED BY THE PUBLIC HOUSING AUTHORITY:

Based on the last income certification/recertification effective on_____, the household consists of_____members whose combined gross annual income before any adjustments is $_____.
(Date) (# of members) (Gross Annual Income)

_____ _____ _____
(Signature) (Date) (Phone #)

_____ _____
(Printed Name) (Title)

The Income Verification for Households with Section 8 Certificates may be used.

This form may not be used if the verifying Housing Authority has any ownership, management, consulting agreement, or any involvement in the property operations.

172

172

Eligibility: Students

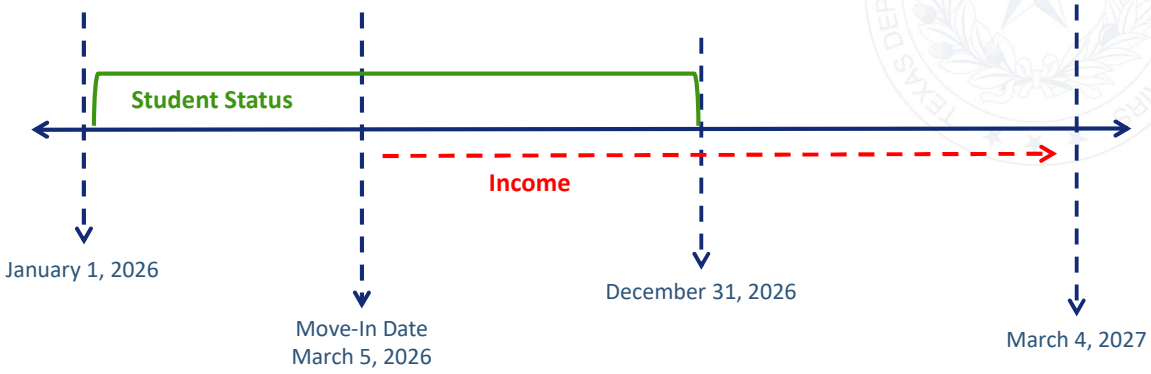
- All household members must be screened for student status:
  - Kindergarten through 12th grade
  - Higher Education

- Full-Time (FT) Status
  - As defined by the educational institution
  - 5 calendar months, months enrolled do not have to be consecutive

173

173

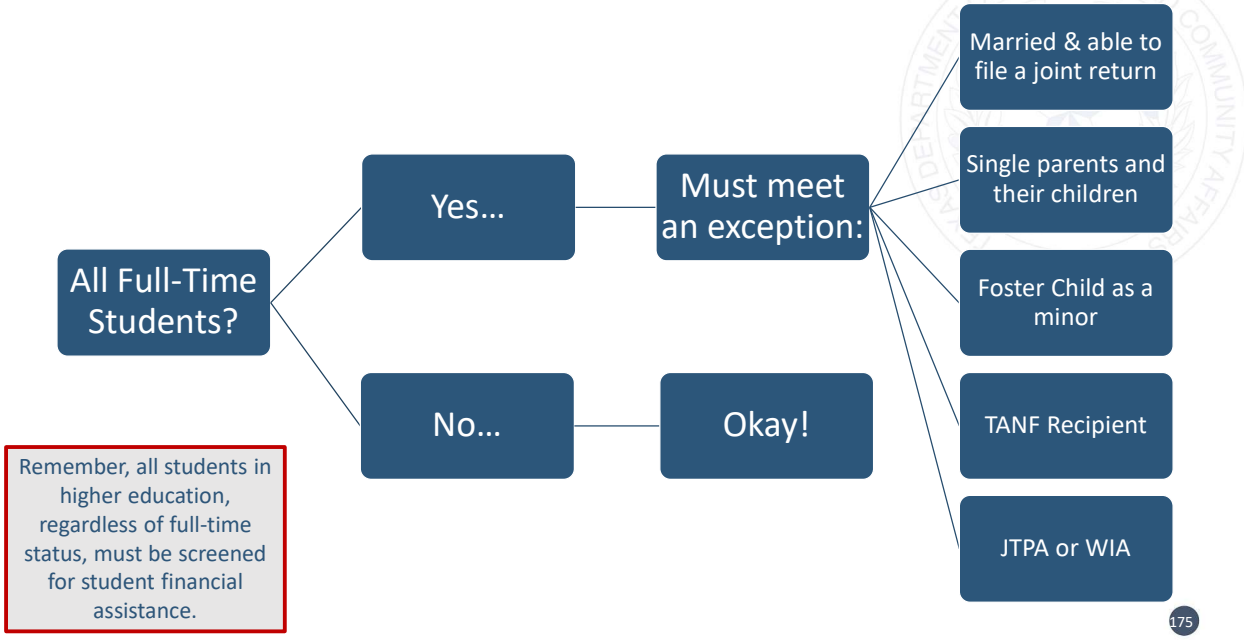
Student Status Screening vs. Income Screening



174

174

Eligibility: Student Households



Remember, all students in higher education, regardless of full-time status, must be screened for student financial assistance.

175

175

Lease Requirements; 10 TAC §10.613

- Cannot evict without good cause; must be 30-day written notice for nonpayment of rent
- Comply with VAWA
- Requirement to report student status and changes to the status
- Cannot lock-out or threaten to lock-out
- Tenant Rights and Resources Guide

176

176

Annual Data Collection vs. Annual Income Certification

Annual Data Collection

- 100% Low-Income **Projects**
- Must complete Annual Data Collection by anniversary of original move-in to **project**
- Can be executed within 120 days BEFORE the due/effective date

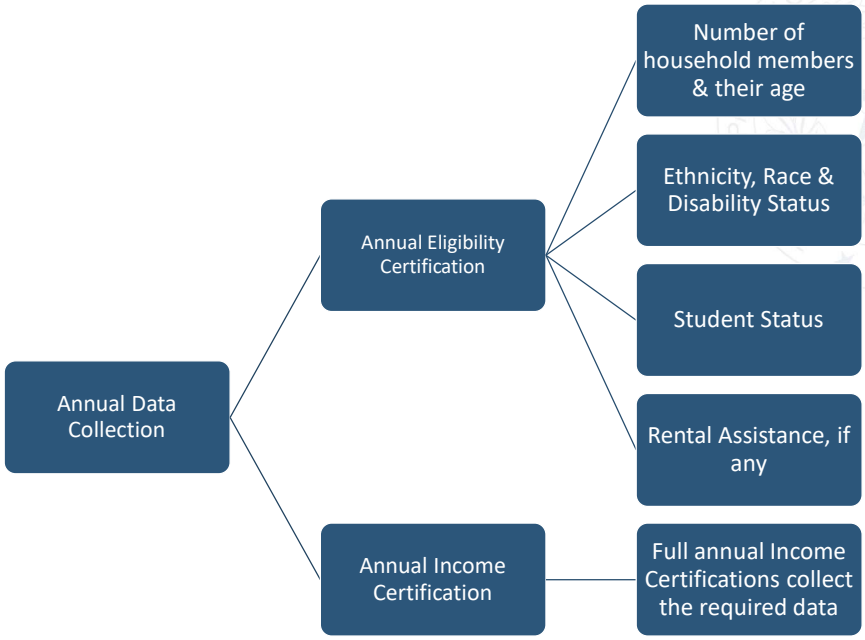
Annual Income Certification

- Same process as Initial Certification
- Use current household information and income limits
- Due by the anniversary of the household's original move-in date or initial certification date
- Can begin 120 days BEFORE the due/effective date

177

177

Annual Data Collection vs. Annual Income Certification

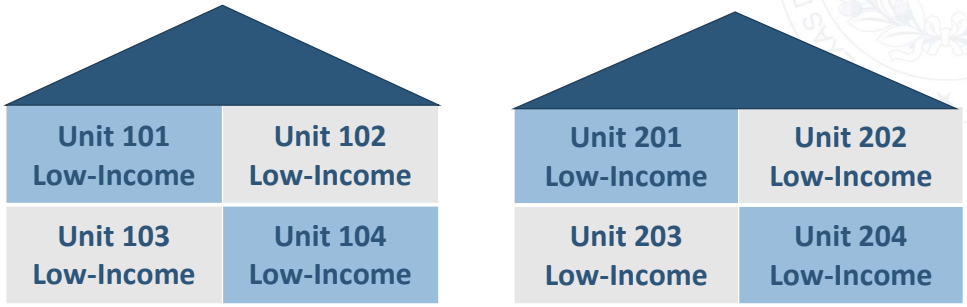


178

178

Project Elections and Annual Requirements: 100% Low-Income

All households must complete annual data collection, regardless of project election.

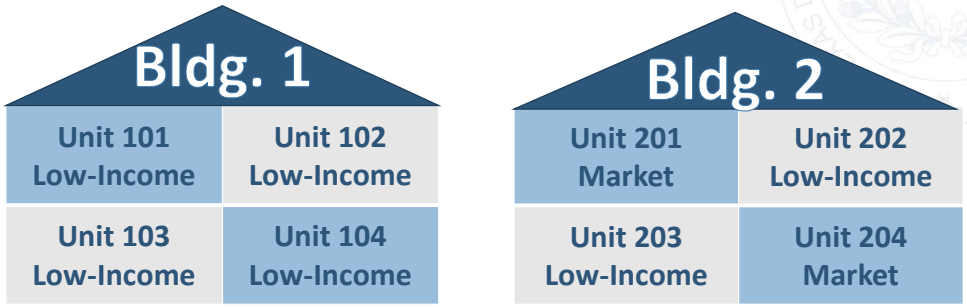


179

179

Project Elections and Annual Requirements: Mixed Income

All households must complete annual Income Certification, the both buildings are in the same project.



If each building is an individual project, then Building 1 can do Annual Data Collection and Building 2 must do full annual Income Certifications

180

180

Available Unit Rule (AUR)

When a household goes Over-Income (OI)

- Keep Rent Restricted
- Lease the next unit of smaller/comparable size to low-income household
- **The above items must continue until the Applicable Fraction is restored in the building**

Going over the designation does not make a household OI

The Available Unit Rule (AUR) is a building rule.

140% Threshold

- 60% AMI and below — 140% of 60% AMI
- 70% AMI — 140% of 70% AMI
- 80% AMI — 140% of 80% AMI

181

181

Next Available Unit Rule: Building 5

75%

6

8

77.78%

7,000

9,000

Addendum F To Declaration – Minimum Applicable Fraction By Building

Building Number	Building Identification Number (BIN)	Minimum Applicable Fraction
1.	TX-22-05301	79.07%
2.	TX-22-05302	83.33%
3.	TX-22-05303	62.67%
4.	TX-22-05304	79.19%
5.	TX-22-05305	75.00%

4-Bedroom units are 1,500 sq. feet and 3-Bedroom units are 1,000 sq. feet

Building BIN #	Building #	UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	# BRs	HH SIZE	UNIT QUALIFICATIONS
TX0020604	5	511	07/03/2025		Abba	$ 57,600.00	$ 1,450.00	$ 327.00	4	4	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	512	10/26/2023		Beatle	$ 52,575.00	$ 1,500.00	$ 327.00	4	7	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	513	06/06/2025		Stone	$ 44,320.00	$ 1,199.00	$ 287.00	3	4	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	514	12/23/2024		Santana	$ 29,505.00	$ 1,200.00	$ 287.00	3	4	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	521	02/16/2024		Beach	$ 66,068.00	$ 1,351.00	$ 287.00	3	5	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	522	03/29/2025		Creedence	$ 55,295.00	$ 1,351.00	$ 287.00	3	4	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	523	01/02/2018		Byrd	$ 43,521.00	$ 1,351.00	$ 287.00	3	4	Income LIHTC: Market Rent LIHTC: Market
TX0020604	5	524	04/03/2025		Bread	$ 72,585.00	$ 1,351.00	$ 287.00	3	4	Income LIHTC: Market Rent LIHTC: Market

182

182

Next Available Unit Rule: Building 5 with an Over Income Unit

62.5%

5

66.67%

6,000

8

9,000

Uh oh, We have noncompliance!

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

4.	TX-22-05304		79.19%
5.	TX-22-05305		75.00%

4-Bedroom units are 1,500 sq. feet and 3-Bedroom units are 1,000 sq. feet

Building BIN #	Building #	UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	# BRs	TIC DATE	UNIT QUALIFICATIONS
TX0020604	5	511	07/03/2025		Abba	$57,600.00	$ 1,450.00	$327.00	4	07/03/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	512	10/26/2023		Beatle	$52,575.00	$ 1,500.00	$327.00	4	10/26/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	513	06/06/2025		Stone	$44,320.00	$ 1,199.00	$287.00	3	06/06/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	514	12/23/2024		Santana	$29,505.00	$ 1,200.00	$287.00	3	12/23/2024	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	521	02/16/2024		Beach	$66,068.00	$ 1,351.00	$287.00	3	02/16/2025	Income LIHTC: OI Rent LIHTC: OI
TX0020604	5	522	03/29/2025		Creedence	$55,295.00	$ 1,351.00	$287.00	3	03/29/2025	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	523	01/02/2018		Byrd	$43,521.00	$ 1,351.00	$287.00	3	01/02/2025	Income LIHTC: Market Rent LIHTC: Market
TX0020604	5	524	04/03/2025		Bread	$72,585.00	$ 1,351.00	$287.00	3	04/03/2025	Income LIHTC: Market Rent LIHTC: Market

183

183

Next Available Unit Rule: Building 5 with an Over Income Unit

75%

6

77.78%

7,000

8

9,000

We have corrected the noncompliance!

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

4.	TX-22-05304		79.19%
5.	TX-22-05305		75.00%

4-Bedroom units are 1,500 sq. feet and 3-Bedroom units are 1,000 sq. feet

Building BIN #	Building #	UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	# BRs	TIC DATE	UNIT QUALIFICATIONS
TX0020604	5	511	07/03/2025		Abba	$57,600.00	$ 1,450.00	$327.00	4	07/03/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	512	10/26/2023		Beatle	$52,575.00	$ 1,500.00	$327.00	4	10/26/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	513	06/06/2025		Stone	$44,320.00	$ 1,199.00	$287.00	3	06/06/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	514	12/23/2024		Santana	$29,505.00	$ 1,200.00	$287.00	3	12/23/2024	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	521	02/16/2024		Beach	$66,068.00	$ 1,351.00	$287.00	3	02/16/2025	Income LIHTC: Market Rent LIHTC: Market
TX0020604	5	522	03/29/2025		Creedence	$55,295.00	$ 1,351.00	$287.00	3	03/29/2025	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	523	12/1/2025		Garfunkel	$19,632.00	$ 1,351.00	$287.00	3	12/1/2025	Income LIHTC: 60 Rent LIHTC: 60
TX0020604	5	524	04/03/2025		Bread	$72,585.00	$ 1,351.00	$287.00	3	04/03/2025	Income LIHTC: Market Rent LIHTC: Market

184

184

Available Unit Rule: Average Income – Learning Point

50 + 60 + 70 + 40 + 40 + 60 + 60 + 60 = 440/8 = 55% average

Unit 301 Low-Income 50%	Unit 302 Low-Income 60%	Unit 303 Market Unit	Unit 304 Market Unit
Unit 201 Market Unit	Unit 202 Low-Income 40%	Unit 203 Market Unit	Unit 204 Low-Income 70%
Unit 101 Low-Income 40%	Unit 102 Low-Income 60%	Unit 103 Low-Income 60%	Unit 104 Low-Income 60%

All units in this building are the same size. The Applicable Fraction is based on the unit count.

185

185

Household Additions

- The addition of new member(s) to an existing low-income household requires s ncome tion fo nber o d, i hand n an rty v e t depen the bu ed-use C
- 1 ects sehold ne is a sting h al cation.
- I ects ehold is add g house nt cation. continu qualifie e of the new member is taken into consideration with the income of the existing household for purposes of the Available Unit Rule under IRC §42(g)(2)(D).

Screen the new household member: Income, Assets & Student Status → Verify Reported Information → Add to the EXISTING Income Certification → New household member signs the EXISTING Income Certification on the date they move-in

186

186

Transfers: 100% Low-Income Multiple Building Projects

- Households may transfer to any unit in a 100% low-income multiple building project and retain their program designation.
  - The project election will be done on line 8(b) of Form 8609 for each BIN.
- The household does not need to be and **should not be certified** at the time of transfer.
  - The original certification which qualified the household for the program/project remains the applicable certification.
  - The original household qualifying documentation must be maintained in the new unit file.
- The move-in date remains the date the household was first designated under the program.
  - Annual certification requirements should be done within 120 days of the anniversary of the original move-in.
- **The Unit Status Report (USR) should retain the original move-in date and qualifying income from the time of move-in.**

187

187

Transfers: 100% Low-Income Multiple Building Projects

These two buildings are one project.

Can the household in unit 411 transfer to unit 122?

Yes!

411 Vacant 30%	**412 60%**	**413 50%**	**414 30%**	**421 60%**	**422 50%**	**423 50%**	**424 60%**
311 50%	312 50%	313 40%	314 60%	321 30%	322 40%	323 60%	324 60%
211 60%	212 40%	213 50%	214 60%	221 50%	222 50%	223 60%	224 60%
111 60%	112 60%	113 30%	114 50%	121 60%	**122 60%**	123 40%	124 50%

188

188

Transfers: Mixed Income Multiple Building Projects

- Low-income households retain their program designation when they transfer to any unit in a multiple building project if at the last annual certification their income was less than 140% of area median income level set by the minimum set aside.

189

189

Transfers: Over Income Households

- A current household with an income exceeding 140% of the applicable limit is considered Over Income (OI).
- These households may transfer within the building but **may not transfer** to a unit outside of the building/BIN in which the household became OI.
  - The household may not transfer within a multiple building project, they must remain in the building/BIN where they certified as OI.
- When the household transfers within the building the statuses will swap, the newly occupied unit will continue to be considered OI (since the designation follows the household) and the newly vacated unit will have the status from the swapped unit.
- Over Income households impact the Next Available Unit Rule, which is a building rule.

190

190

Transfers of an OI Household

The two buildings are one project.

Can the household in unit 31 transfer to unit 51?

No!

31 OI	32 60%	33 50%
21 60%	22 60%	23 Market
11 60%	12 50%	13 Market Vacant

61 60%	62 60%	63 Market
51 50% Vacant	52 Market	53 60%
41 50%	42 Market Vacant	43 60%

Since the household in unit 31 is over income (OI) they cannot move out of their building. The Next Available Unit Rule must be maintained on a building basis.

191

191

Transfers: Individual Building Projects

- **Each building/BIN is its own project (100% low-income and mixed income projects)**
- Developments that made the 20/50 or 40/60 election: at the time of move-in to the new project, the household must be certified and have a current annual income less than the income limit established by the minimum set aside the Owner selected.
- Developments that elected the Average Income Test (AIT) under IRC §42(g): the household must be certified and their current designation averaged together with the designations of the other households in the project must be equal to or less than the percentage represented at the time of application.

192

192

Transfers within the Same Building/BIN

A household may transfer to a new unit within the same BIN. The unit designations will swap status.

501 Market	502 60%	503 Market	504 Market	505 60%
401 60%	402 60%	403 60%	404 60%	405 60%
301 Vacant 60%	302 Vacant Market	303 60%	304 60%	305 60%
201 60%	202 60%	203 Market	204 60%	205 60%

Can the household in unit 301 transfer to unit 503?

Yes!

Since the transfer is within the same building the households can move and the unit designations swap.

The applicable fraction, if based on square footage, must be maintained when households move within the building.

193

193

Transfers: Mixed Income Multiple Building Projects

These two buildings are one project.

Can the household in unit 31 transfer to unit 51?

No!

31 Market	32 60%	33 50%
21 60%	22 60%	23 Market
11 60%	12 50%	13 Market Vacant

61 60%	62 60%	63 Market
51 50% Vacant	52 Market	53 60%
41 50%	42 Market Vacant	43 60%

Each building has an applicable fraction of 66.67% based on the unit count. Moving the market household in unit 31 over to the other building into a low-income unit would affect the applicable fraction.

194

194

Transfers: Mixed Income Multiple Building Projects

These two buildings are one project.

Can the household in unit 21 transfer to unit 51?

Yes!

31 Market	32 60%	33 50%
21 Vacant 50%	22 60%	23 Market
11 60%	12 50%	13 Market Vacant

61 60%	62 60%	63 Market
51 60%	52 Market	53 60%
41 50%	42 Market Vacant	43 60%

Each building has an applicable fraction of 66.67% based on the unit count. Since both units are designated as low-income the transfer will not impact the applicable fraction.

195

195

Transfers: Multiple Building Project; Average Income

These two buildings one project.

Can the household in unit 31 transfer to unit 51?

Yes!

54.44% Average

31 Vacant 50%	32 60%	33 50%
21 60%	22 60%	23 20%
11 60%	12 50%	13 80% Vacant

53.56% Average

61 60%	62 60%	63 20%
51 30%	52 80%	53 60%
41 50%	42 80% Vacant	43 60%

Moving the 30% household in unit 31 over to the other building into unit 51 would not affect the average. The building average must remain under the 60% average.

196

196

Transfers: Individual Building Projects; Average Income

These two buildings are individual projects.

Can the household in unit 21 move to unit 51?

Yes!

55% Average

31 Market	32 60%	33 50%
21 Vacant 50%	22 60%	23 Market
11 60%	12 50%	13 Market Vacant

58.33% Average

61 60%	62 60%	63 Market
51 60%	52 Market	53 60%
41 50%	42 Market Vacant	43 60%

Moving the 50% household in unit 21 over to the other building into unit 51 would not affect the average. The building average must remain under the 60% average.

If the household in 21 is still eligible, they could certify and then move.

197

197

Compliance: Learning Point 1

Nicole, age 33, is applying for a unit with her son Vince, age 8. She is attending community college full-time to finish her degree. She is divorced; per the court order her ex-husband is allowed to claim Vince on his tax return. Does the applicant household meet the student status requirements?

A. No, Nicole does not claim her son on her taxes

B. Yes, Nicole is a single parent & her child is claimed by a parent on their tax return

C. Yes, Nicole attends community college and this is exempt

D. Yes, Nicole is over the age of 23 so her student status is irrelevant

198

198

Compliance: Learning Point 2

Charles and Mike, both age 23, are applying for an HTC apartment in April. Charles is working on his Master's Degree and Mike has confirmed that he will graduate in May. The university has confirmed the full-time status for each applicant. Does the applicant household meet the student status?

A. Yes, Charles is working on his Master's, which is an exception

B. Yes, Mike is graduating a month after they move-in

C. No, Charles and Mike are both FT students and no exceptions are met

D. No, But they can re-apply in June, after Mike graduates and be okay

199

199

Compliance: Learning Point 3

Amy, age 40, is a part-time student at an online college. She has been attending part-time for the last 2 years. She is applying for an apartment. Does Amy qualify as eligible under the student status requirements?

A. Yes, Amy is only part-time

B. Yes, Amy is an independent student

C. No, Amy does not meet an exception

D. No, she might decide to be full-time, we cannot take that cha

Amy's student status should be verified each semester to make sure that she continues to meet this allowance.

200

200

Compliance: Learning Point 4

Ana and her daughter Kim moved into the development on March 12, 2025. On August 19, 2025, Ana requested to add a household member to her unit. Her partner Cho will be moving in, is this permissible?

A. This is allowable, complete the eligibility process for Cho, update the most current Income Certification and the Unit Status Report

B. This is not allowable, Ana has only occupied the unit for five months

C. A new household member may only be added during the annual recertification process

201

201

Compliance: Learning Point 5

Lisa and her son Will moved into the development on December 12, 2025. On January 19, 2026, Lisa requested to add a household member to their unit. Her adult daughter, Katie, will be moving in, is this permissible?

A. This is allowable, complete the eligibility process for Katie, update the most current Income Certification and the Unit Status Report

B. This is not allowable; Lisa has only occupied the unit for a month

C. A new household member may only be added during the annual recertification process

202

202

Compliance: Learning Point 6

When a household transfers within a multiple building project, the Unit Status Report should be updated to the date the household moves into the new unit. True or False?

T — True, the household moved into the unit on that date

F — False, the household move-in date should be the original qualifying date for the project

203

203

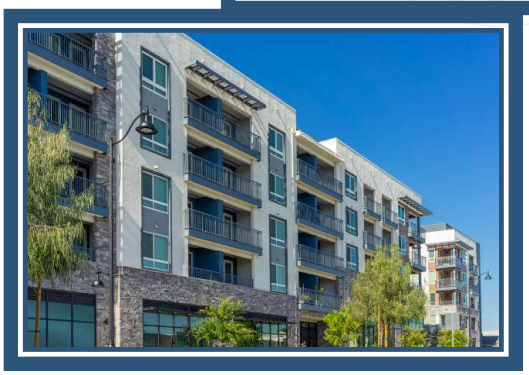
Module 6

Acquisition & Rehabilitation and "Post 15"

204

204

Acquisition and Rehabilitation



205

205

Acquisition and Rehabilitation: Timeline

2025 is the first year of the credit period for both the Acquisition and the Rehab.

November 15, 2024
- Building Acquired (Acq. Placed in Service)

→ **January 1, 2025**

→ **June 15, 2025**
- Rehab Placed in Service

206

206

Acquisition and Rehabilitation: Certifications

If the existing household is qualified as eligible within 120 days of the date the building is acquired

- The effective date of the Income Certification is the date of the acquisition
- Use the income limits in effect at the time of the acquisition

If the existing household is qualified as eligible more than 120 days after the date the building is acquired

- The effective date of the Income Certification is the date the household signs the form
- Use the income limits in effect at the time the household signs the form

If a new household moves in after the acquisition placed in service date

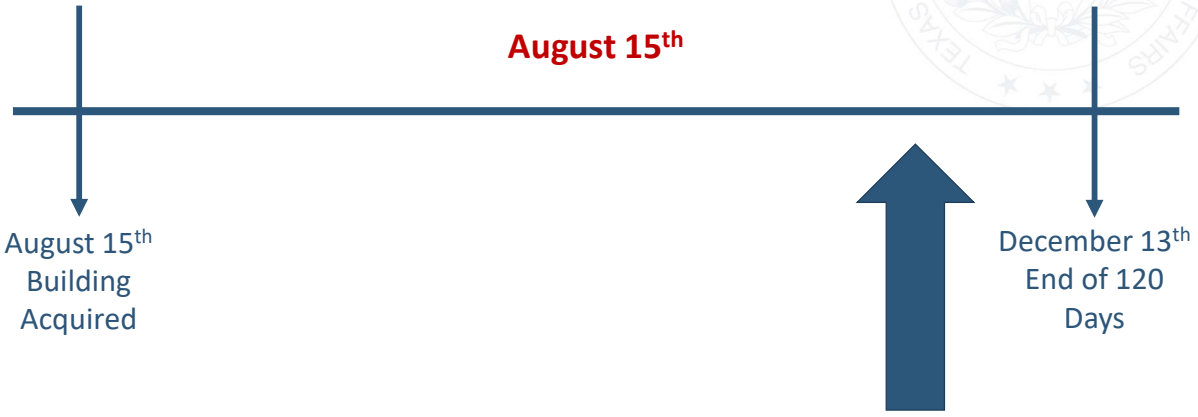
- The effective date of the Income Certification is the date the household moves into the unit
- Use the income limits in effect at the time of move-in

207

207

Acquisition and Rehabilitation: Learning Point 1

What is the effective date of the Income Certification if the household is qualified on December 5th?



208

208

Acquisition and Rehabilitation: Learning Point 2

What is the effective date of the Income Certification if the household is qualified on December 18th?

209

209

Acquisition and Rehabilitation: The Credit Period

There is no requirement to qualify existing households as eligible within 120 days of the date of Acquisition, <u>but</u> all households must be qualified as eligible by the beginning of the first year of the credit period; this includes those that were tenants at the time of acquisition along with any new move-ins.

210

210

Acquisition and Rehabilitation: Certification Dates

Building Acquired: November 12, 2024
Credit Period began: January 1, 2026

120 days from November 12, 2024 Is March 12, 2025

If an existing household is NOT income eligible at the time of Acquisition and at the first year of the credit period, the unit is not eligible for credits until it is occupied with an eligible household

Unit 301 **Low-Income Vacant** **Move-In: April 1, 2025**	**Unit 302** **Low-Income Occupied** **Certified: January 27, 2025**	**Unit 303** **Low-Income Occupied** **Certified: July 25, 2025**
Unit 201 **Market Occupied**	**Unit 202** **Low-Income Occupied** **Certified: December 10, 2025**	**Unit 203** **Low-Income Occupied** **Certified: November 11, 2025**
Unit 101 **Low-Income Vacant** **Move-In: January 18, 2026**	**Unit 102** **Low-Income Occupied** **Certified: October 4, 2025**	**Unit 103** **Low-Income Occupied** **Certified: Ineligible on March 20, 2025**

211

211

Acquisition and Rehabilitation: Recertification Dates

Building Acquired: November 12, 2024
Credit Period began: January 1, 2026
120 days from November 12, 2024 is March 12, 2025

One year later at the recertification process:

100% Low-Income Project: Annual Data Collection by anniversary date

Mixed Income Project: Income Certification Must be completed on ineligible household to establish possible eligibility or convert to Market status when allowed

Unit 301 Low-Income Vacant Move-In: April 1, 2025 Annual: April 1: 2026	Unit 302 Low-Income Occupied Certified: January 27, 2025 Annual: November 12, 2025	Unit 303 Low-Income Occupied Certified: July 25, 2025 Annual: July 25, 2026
Unit 201 Market Vacant Low-Income household to move-in February 1, 2026	Unit 202 Low-Income Occupied Certified: December 10, 2025 Annual: November 12, 2026	Unit 203 Low-Income Occupied Certified: November 11, 2025 Annual: November 11, 2026
Unit 101 Low-Income Vacant Move-In: January 18, 2026 Annual: January 18, 2027	Unit 102 Low-Income Occupied Certified: October 4, 2025 Annual: October 4, 2026	Unit 103 Ineligible Low-Income Occupied – Convert to Market when 201 moves in

212

212

Acquisition and Rehabilitation: Form 8609

Form **8609** (Rev. December 2021) Department of the Treasury Internal Revenue Service

Low-Income Housing Credit Allocation and Certification

▶ Go to www.irs.gov/Form8609 for instructions and the latest information.

OMB No. 1545-0988

5a Date building placed in service . . . . . ▶ 9/23/2021

b Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or ~~2022 and the~~ building is located in a qualified disaster zone (see instructions).

6 Check the boxes that describe the allocation for the building (check those that apply):

a ☐ Newly constructed and federally subsidized b ☐ Newly constructed and **not** federally subsidized c ☑ Existing building

5a Date building placed in service . . . . . ▶ 2/28/2023

b Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or ~~2022 and the~~ building is located in a qualified disaster zone (see instructions).

6 Check the boxes that describe the allocation for the building (check those that apply):

a ☐ Newly constructed and federally subsidized b ☐ Newly ~~constructed and not federally subsidized c ☐ Existing building~~

d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized e ☑ Sec. 42(e) rehabilitation expenditures **not** federally subsidized

213

213

Acquisition and Rehabilitation: Income Limits

Form **8609** (Rev. December 2021) Department of the Treasury Internal Revenue Service

Low-Income Housing Credit Allocation and Certification

▶ Go to www.irs.gov/Form8609 for instructions and the latest information.

OMB No. 1545-0988

5a Date building placed in service . . . . . ▶ 9/23/2021

b Check here ▶ ☐ if the date of allocation on line 1a is in calendar year 2021 or ~~2022 and the~~ building is located in a qualified disaster zone (see instructions).

6 Check the boxes that describe the allocation for the building (check those that apply):

a ☐ Newly constructed and federally subsidized b ☐ Newly constructed and **not** federally subsidized c ☑ Existing building

214

214

Acquisition and Rehabilitation: Rent Limits

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
HOUSING TAX CREDIT PROGRAM
DETERMINATION NOTICE

This Determination Notice (the "**Notice**") in connection with a conditional award of Housing Tax Credits associated with a Certificate of Reservation and/or Carryforward Designation Certificate from the 2020 Private Activity Bond Ceiling is made and entered into by and between the **TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**, a public and official agency of the State of Texas, (the "**Department**"), and **Pandora Springs, LP**, (the "**Development Owner**"), herein collectively referred to as the "**Parties.**" This Notice does not constitute an allocation as defined by Section 42 of the Internal Revenue Code.

RECITALS

WHEREAS, the Development Owner has, by making an application for and accepting this Determination Notice and taking steps to provide for the issuance of related tax exempt bonds, undertaken and agreed to carry out the new construction, rehabilitation, and/or reconstruction of the Development as more fully described in application TDHCA number 20462 (the "Application") approved by the Governing Board of the Department on **NOVEMBER 5, 2020** and in accordance with all representations made in the Application, Chapter 2306 of the Texas Government Code ("Chapter 2306"), Title 10 of the Texas Administrative Code, Chapter 1, Chapter 2, Chapter 10, Chapter 12 (applicable only if TDHCA is the issuer) (all collectively referred to as "the Rules") and Chapter 11 Qualified Allocation Plan ("QAP"), Section 42 of the Internal Revenue Code ("Code") and all applicable Internal Revenue Service ("IRS") notices and revenue rulings, all applicable Treasury Regulations and Decisions, as may be amended from time to time, and Chapter 1372 of the Texas Government Code. All laws, rules, and requirements referenced in this recital paragraph as collectively referred to herein as the "Legal Authorities;"

WHEREAS, the Department has reviewed the Application, and the Governing Board of the Department approved the issuance of this Determination Notice for Housing Tax Credits in accordance with the Legal Authorities;

NOW, THEREFORE, for and in consideration of the promises herein made, and the mutual benefits derived and to be derived, the Parties hereto agree and by execution hereof are bound to the mutual obligations and to the performance and accomplishment of the tasks that are the substance of this Notice, and which may be more thoroughly set forth in the Application and a Land Use Restriction Agreement ("LURA") which will be entered into and recorded upon completion of the Development, its having been placed in service as contemplated in Section 42 of the Code, and it having completed cost certification.

2020 HTC Determination Notice | 15052 Pandora Springs Apartments

TERMS

Development	Pandora Springs APARTMENTS
Development Type	NEW CONSTRUCTION
Development Owner	Pandora Springs, LP
Development Address	502 Circle S DRIVE Austin, Travis COUNTY, TX 78701
Bond Issuer ("Issuer")	Travis COUNTY HOUSING FINANCE CORPORATION

Effective Date of Determination Notice	April 16, 2021
Expiration Date of Determination Notice	~~May 16, 2021~~

Contact Address	221 East 11th St.
City, State, ZIP	Austin, TX 78721
Contact Phone/Email	(512) 475 - 3800 ahammond@pandora.com

Effective Date of Determination Notice	April 16, 2021
Expiration Date of Determination Notice	May 16, 2021

* The BIN numbers noted should be used in any future correspondence with the Department.

CONDITIONS

The Development may be eligible to claim Housing Tax Credits with respect to all or a portion of its qualified basis if, among other standards, the Development satisfies the requirements for an allocation of Housing Tax Credits under the Rules and QAP, as applicable. The Department is the sole housing credit agency for the State of Texas and has adopted the Rules and QAP, as amended in the Texas Administrative Code Title 10 Chapters 10 and 11. The Department has determined that the Development, as described in the Application, would satisfy the requirements of all applicable subchapters and sections of the Rules and QAP for an allocation of Housing Tax Credits. This does not preclude the possibility that the manner in which one or more aspects of the Development may be carried out may raise issues of compliance which will need to be addressed at the time, including but not limited to, the possibility of requested amendments, administrative deficiencies, or material deficiencies, which may be subject to rights of appeal as provided for in the Rules and QAP.

Page 2 of 8

215

215

Acquisition & Rehabilitation with Previous Tax Credit Allocation

Part I Allocation of Credit — Completed by Housing Credit Agency Only

☐ Addition to Qualified Basis ☐ Amended Form

A Address of building (do not use P.O. box): 101 Givens Dr (1 of 17), Georgetown, TX 78654

B Name and address of housing credit agency: Texas Department of Housing & Community Affairs, P.O. Box 13941, Austin, TX 78711-3941

C Name, address, and TIN of building owner receiving allocation: Hammond Inc, 480 Post Oak, Houston, TX 88888, TIN

D Employer identification number of agency

E Building identification number (BIN): TX-95-000101

1a Date of allocation 12 / 15 / 93 b Maximum housing credit dollar amount allowable 1b 50,662.
2 Maximum applicable credit percent allowable 2 8.440 %
3a Maximum qualified basis 3a 600,263.
b Check here ☐ if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(C). Enter the percentage by which the eligible basis was increased (see instructions) 3b 100 %
4 Percentage of the aggregate basis financed by tax-exempt bonds 4 0.00 %
5 Date building placed in service 12 / 31 / 95
6 Check the box that describes the allocation for the building (check only one):
a ☐ Newly constructed and federally subsidized b ☒ Newly constructed and not federally subsidized c ☐ Existing building
d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized e ☐ Sec. 42(e) rehabilitation expenditures not federally subsidized

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined Part I of this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Daisy Stiner, Dir. of Housing Programs — Signature of authorized official — Name (please type or print) — Date 12/6/96

Part II First-Year Certification — Completed by Building Owner for First Year of Credit Period Only

7a Date building placed in service 12/31/95 b Eligible basis of building (see instructions) 7b 1,600,263
8a Original qualified basis of the building at close of first credit period 8a 1,600,263
b Is the building part of a multiple building project? ☐ Yes ☒ No
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(l)(2)(B)? ☐ Yes ☒ No
b Do you elect to reduce eligible basis by disproportionate cost of non-low-income units (section 42(d)(3))? ☐ Yes ☒ No
10 Check the appropriate box for each election:
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ☐ Yes ☒ No
b Elect not to treat large partnership as taxpayer (section 42(j)(5)) ☐ Yes
c Elect minimum set-aside requirement (section 42(g) (see instructions): ☐ 20-50 ☒ 40-60 ☐ 25-60 (N.Y.C. on ☐ 15-40
d Elect deep-rent-skewed project (section 142(d)(4)(B)) (see instructions)

Note: A separate Schedule A (Form 8609), Annual Statement, for each building must be attached to the corresponding Form 8609 for each of the 15-year compliance period after 1987.

Form 8609 (Rev. December 2021) Department of the Treasury Internal Revenue Service — Low-Income Housing Credit Allocation and Certification — ▶ Go to www.irs.gov/Form8609 for instructions and the latest information. OMB No. 1545-0988

Part I Allocation of Credit

Check if: ☐ Addition to Qualified Basis ☐ Amended Form

A Address of building (do not use P.O. box) (see instructions): Pandora Springs Apartments, 1501 Circle S, Austin, TX 78711, 15129; Total Buildings 7, Building 1 of 7

B Name and address of housing credit agency: TDHCA, 221 East 11th Street, Austin, TX 78711-3941

C Name, address, and TIN of building owner receiving allocation: Pandora Springs, LTD., 10583 IH 49, Burnet, TX 78611, TIN ▶ 91-1893333

D Employer identification number of agency: 74-261052

E Building identification number (BIN): TX-15-01201

1a Date of allocation ▶ _____ b Maximum housing credit dollar amount allowable 1b 45,000
2 Maximum applicable credit percentage allowable (see instructions) 2 3.24%
3a Maximum qualified basis 3a 500,000
b Check here ▶ ☐ if the eligible basis used in the computation of line 3a was increased under the high-cost area provisions of section 42(d)(5)(B). Enter the percentage to which the eligible basis was increased (see instructions) 3b 100 %
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter –0–.) 4 0.00%
5a Date building placed in service ▶ 9/23/2021
b Check here ▶ ☐ if the data of allocation on line 1a is in calendar year 2021 or 2022 and the building is located in a qualified opportunity zone (see instructions)
6 Check the boxes that describe the allocation for the building (check those that apply):
a ☐ Newly constructed and federally subsidized b ☐ Newly constructed and not federally subsidized c ☑ Existing building
d ☐ Sec. 42(e) rehabilitation expenditures federally subsidized e ☐ Sec. 42(e) rehabilitation expenditures not federally subsidized
f ☑ Allocation subject to nonprofit set-aside under sec. 42(h)(5)

Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only

Under penalties of perjury, I declare that the allocation made is in compliance with the requirements of section 42 of the Internal Revenue Code, and that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

▶ Signature of authorized official ▶ Name (please type or print) ▶ Date

Part II First-Year Certification—Completed by Building Owners with respect to the First Year of the Credit Period

7 Eligible basis of building (see instructions) 7 500,000
8a Original qualified basis of the building at close of first year of credit period 8a 500,000
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? ☐ Yes ☑ No
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(l)(2)(B)? ☐ Yes ☐ No
b For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)? ▶ ☐ Yes ☐ No
10 Check the appropriate box for each election.
Caution: Once made, the following elections are irrevocable.
a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ▶ ☑ Yes ☐ No
b Elect not to treat large partnership as taxpayer (section 42(j)(5)) ▶ ☑ Yes
c Elect minimum set-aside requirement (section 42(g) (see instructions): ☐ 20-50 ☑ 40-60 ☐ Average income ☐ 25-60 (N.Y.C. only) ☐ 15-40
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)

Under penalties of perjury, I declare that I have examined this form and accompanying attachments, and to the best of my knowledge and belief, they are true, correct, and complete.

▶ Signature ▶ Taxpayer identification number ▶ Date
▶ Name (please type or print) ▶ First year of the credit period

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 63981U Form 8609 (Rev. 12-2021)

216

216

Re-Syndication of Tax Credits: Learning Point

Award Date: November 1, 2025

No, the development was under an HTC Land Use Restriction Agreement and the households were qualified as eligible at the time of occupancy. However, units 102 and 103 need to be screened for current student status.

Do units 103 and 102 need to be certified as eligible?

Unit 101 Low-Income Vacant	Unit 102 Low-Income Occupied Moved in May 21, 2017
Unit 103 Low-Income Occupied Moved in July 3, 2021	Unit 104 Low-Income Occupied Moved in December 5, 2025

217

217

Re-Syndication: Learning Point continued

Award Date: November 1, 2025

All annual recertification requirements apply and are due by the anniversary date of the original move-in date to the project.

Unit 101 Low-Income Occupied Moving in February 6, 2026 Recertification will be due February 6, 2027	Unit 102 Low-Income Occupied Moved in May 21, 2017 Recertification May 21, 2025
Unit 103 Low-Income Occupied Moved in July 3, 2021 Recertification July 3, 2025	Unit 104 Low-Income Occupied Moved in December 5, 2025 Recertification will be due December 5, 2026

218

218

Acquisition and Rehabilitation: Notes on Re-Syndication

Written Policies addressing credit, criminal history and occupancy standards cannot be applied retroactively

Existing HTC developments with a Land Use Restriction Agreement that require payment of a compliance monitoring fee that receive a second allocation of credit, will pay only one fee; the fee required by the original Land Use Restriction Agreement will be disregarded. For HTC Developments, the fee will be collected, retroactively if applicable, beginning with the first year of the credit period. This began with the 2020 QAP, it is not applied retroactively

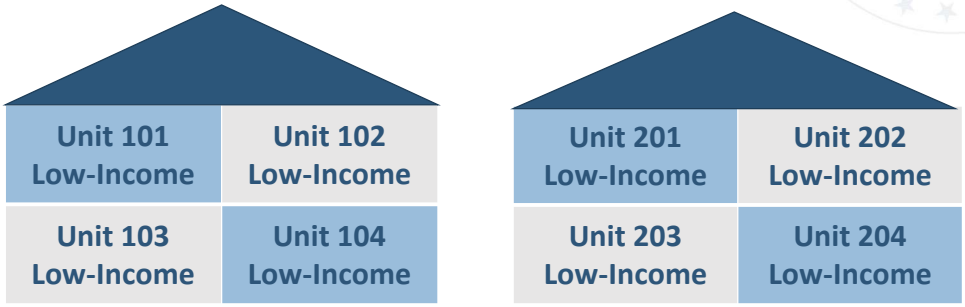
If the rehab combines Housing Tax Credits with any other Federal funds be sure to review the Uniform Relocation Act (URA) to ensure compliance

219

219

Acquisition/Rehabilitation or Re-Syndication: Transfers

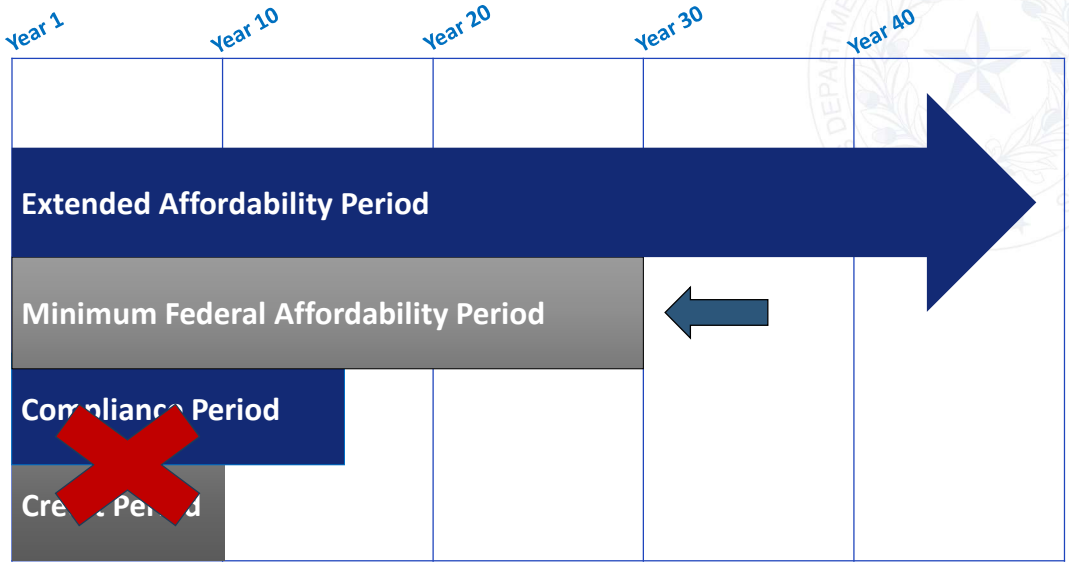
- Transfers between projects prior to Forms 8609 line 8b election are not allowable
- Households must be moved out of one project and moved into the new project and must income qualify



220

220

The End of the Federal Compliance Period



221

221

Post-15: Monitoring Requirements

Post-15: File Monitoring

- Frequency and depth based on risk assessment

Post-15: Physical Inspection

- Every 3 years

222

222

Post-15: Monitoring Requirements continued

Continue to Monitor For:

- All Reporting Requirements (§10.607) and Lease Requirements (§10.613)
- Income qualified households – Exempt/Employee Units
- Rent & Fee restrictions (including additional rent and occupancy restrictions)
- Total number of required low-income units (property wide)
- Annual Data Collection (once a calendar year)
- All affirmative marketing requirements will remain in place.
- Marketing to veterans, if required, will continue to be a requirement.
- Rent and Occupancy Restrictions will continue to be required and monitored.
- LURA requirements through full term or extended compliance period.
- Compliance monitoring fees will continue to be submitted to the Department annually in the amount stated in the LURA.

223

223

Post-15: Changes to Monitoring Requirements

No Longer Monitoring For:

- Documentation of Student Status **Restrictions Apply**
- Applicable Fraction by building
- Application fees
- 8609 elections
- Ratio Utility Billing Systems (RUBS) are now part of the UA calculation
- Annual Income Recertification

All provisions allowed for under 10 TAC §10.623 will no longer apply and the property will be expected to comply with all aspects of Section 42 with the award of new credits.

224

224

Post-15: LURA Requirements

LONGER EXTENDED USE PERIOD

In accordance with the Code, each Development is required to maintain its affordability for a 15-year Compliance Period and, subject to certain exceptions, an additional 15-year period. Development Owner indicates below that the Development will extend the affordability period beyond the 30 years required in the Code as follows:

LONGER EXTENDED USE PERIOD

In accordance with the Code, each Development is required to maintain its affordability for a 15-year Compliance Period and, subject to certain exceptions, an additional 15-year period. Development Owner indicates below that the Development will extend the affordability period beyond the 30 years required in the Code as follows:

Add 5 years affordability resulting in an Extended Use Period total affordability period of 35 years

☒ **Longer Compliance Period and Extended Use Period**

The Compliance Period shall be a period of 25 consecutive taxable years and the Extended Use Period shall be a period of 40 consecutive taxable years, each commencing with the first year of the Credit Period.

☒ **Longer Compliance Period and Extended Use Period**

The Compliance Period shall be a period of 15 consecutive taxable years and the Extended Use Period shall be a period of 40 consecutive taxable years, each commencing with the first year of the Credit Period.

If the LURA does not include this or the "box" is not checked, the development does not have an extended period.

225

225

Post-15: LURA Requirements

☒ **Longer Compliance Period and Extended Use Period**

The Compliance Period shall be a period of 25 consecutive taxable years and the Extended Use Period shall be a period of 40 consecutive taxable years, each commencing with the first year of the Credit Period.

☒ **Material Participation by Qualified Nonprofit Organization**

Throughout the Compliance Period, a "qualified nonprofit organization" within the meaning of Section 42(h)(5)(C) of the Code shall control th
materially participate (within the meaning of Sectio
operation of the Project. At the time this Declaratio
which shall own such interest and shall so ma
operation of the Project is Operation Relief Cent
Project Owner
organization wit
a different qualif

HISTORICALLY UNDERUTILIZED BUSINESSES (HUB)

Throughout the Compliance Period, unless otherwise permitted by the Department, the HUB shall hold some combination of ownership interest in the General Partner, cash flow from operations, and developer fee which taken together equal at least 80 percent and no less than 5 percent for any category. The HUB must also materially participate in the Development and operation of the Development throughout the ng industry. The Development Owner must obtain prior approval from the ation is filed, the HUB which holds such interest in the General Partner is

☒ **Supportive Services**

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project Owner has contracted for the provision of the following special supportive services that would not otherwise be available to Tenants: Onsite availability of services such as financial planning assistance and courses; health screening services; health and nutrition courses; Utility Assistance; GED information; energy conservation training; Head Start; and family planning. At the time this Declaration is filed, the organization(s) providing these services is Community Action Agency San Patricio County, Inc. The Project Owner shall notify the Department (i) of any change in the status or role of such organization with respect to the Project and (ii) if such organization is proposed to be replaced by a different qualified provider.

226

226

Post-15: Annual Requirements

Once a calendar year, Owners must continue to collect and maintain current data on each household that includes the number of household members, age, ethnicity, race, disability status, student status, rental amounts and rental assistance (if any). This information can be collected on the Department's Annual Eligibility Certification (AEC) form or the Income Certification form or HUD Income Certification form or USDA Income Certification form.

There are other program requirements when the property is layered. All program requirement must be met, not just the Tax Credit requirements.

227

227

Post-15: Changes to Monitoring

- The student restrictions found in §42(i)(3)(D) of the Code are no longer monitored in the same way
  - An income-qualified household consisting entirely of full-time students may occupy a low-income unit; however, the development may not market to students
  - The development may not lease more than 15% of the total number of units to student households
- All households, regardless of income level or 8609 elections, will be allowed to transfer between buildings; however, the units will still "swap" status and the move-in date will remain the original move-in date to the development
- The Department will not monitor the development's application fee after the Federal Compliance Period is over
  - The development should still maintain a reasonable application fee
- **Please remember, all student household members should be screened for student related income, i.e. financial aid**

228

228

Post-15: Mixed Income Developments

Mixed income developments are not required to conduct annual income recertification:

- Owners must continue to collect and report data on each household that includes the number of household members, age, ethnicity, race, disability status, student status, rental amounts and rental assistance (if any)
- This information can be collected on the Department's Annual Eligibility Certification form or the Income Certification form or HUD Income Certification form or Rural Housing Certification form
- If the property is layered with another program that requires annual income certifications the property must comply with the additional program requirements

229

229

Post-15: Monitoring Rules

Unless specifically noted in §10.623, all requirements of the 10 TAC, Chapter 10, Subchapter F, the LURA and §42 of the Code remain in effect for the Extended Use Period. These Post-15 Monitoring Rules apply only to the HTC Developments administered by the Department.

Participation in other programs administered by the Department may require additional monitoring to ensure compliance with the requirements of those programs.

230

230

Post-15: Maintaining Compliance

It is important to maintain compliance after the Compliance Period, even though issues of noncompliance are no longer reported to the IRS on Forms 8823. Issues of noncompliance, which are not corrected in the Corrective Action period are looked at during a Previous Participation Review and could be relevant with the new Enforcement/Debarment rule.

Additionally, if the Development is awarded Acquisition/Rehab or Re-syndication funds, it will be expected to comply with the new award and the existing LURA.

231

231

Post-15: Notification Requirements at End of Term

Per 10 TAC §10.607(j), within six (6) months but at least 90 days prior to the end of the Affordability Period and/or the end of the Land Use Restriction Term, the Owner **MUST** provide written notice to the current tenants and applicants. The Notice must contain the following: proposed new rents, any rehabilitation plans and information on how to access the Department's Vacancy Clearinghouse to locate other affordable housing options. Owners should ensure that there is a procedure in place to notify the tenants as required.

If the Development Owner has been approved for new funding, through the Department, and/or awarded new credits such notice is not required.

232

232

Acquisition and Rehab : Learning Point

The Acquisition date for the development is July 1, 2024. The first year of the Credit Period began January 1, 2025. The property's previous HTC LURA term expired on December 31, 2023. Which of these statements is true, more than one may apply?

A. Households do not need to be certified since they were previously eligible under an HTC LURA.

B. All households must be Income Certified by the beginning of the first year of the credit period.

C. All households must be Income Certified by June 30, 2024.

D. All households may be Income Certified within 120 days of July 1, 2024.

233

233

Post-15: Learning Point

The Wilson household moved into the development on September 15, 2025. The development has market units in every building and completed the Federal Compliance Period on December 31, 2025. When and what type of recertification is due for the Wilson household in 2026?

A. Full recertification is due by the anniversary date of September 15, 2026, since the development has market units

B. Annual Data Collection due by the household anniversary date of September 15, 2026

C. Annual Data Collection due once a calendar year and must be completed by December 31, 2026

D. Full recertification is due once a calendar year and must be completed by December 31, 2026

234

234

Module 7

Compliance Monitoring

235

235

Reporting Requirements: 10 TAC §10.607

Annual Owner's Compliance Report (AOCR)

- 3 Parts and the Annual Owner Financial Certification
- **Due April 30th** for the previous calendar year
- 1st report is due the second year after an award

Periodic Unit Status Reports (USR)

- Due on the 10th day of January, April, July and October
- 1st report is due after leasing commences

Monitoring Reviews

- Due date is identified in the notification of the review

236

236

Notices to the Department: 10 TAC §10.609

Updating CMTS:

- Within 10 days of a change in the contact information (including contact persons, physical addresses, mailing addresses, email addresses, phone numbers, and/or the name of the property as know by the public) for the Ownership entity, management company, and/or Development the Department's CMTS must be updated.
- Separate contact information must be provided for Ownership entity, management company, and on-site manager at the Development. A single contact may be used for the owner and management if they are the same entity.
- Failure to comply is an issue of noncompliance.

237

237

Notification of Monitoring Review: On-Site

Dear Steven Clark:

On January 26, 2023 at approximately 12:30 pm, monitor(s) will be visiting the above referenced development to conduct an onsite monitoring review. **Please note that the Department representative(s) may be visiting other developments in the area which may require the date and/or time of the onsite to change. Please ask your staff to plan for any adjustments requested by the Department.**

The following items must be submitted to the attention of Cara Pollei no later than January 10, 2023. Please upload all requested items to the Electronic Document Attachment system through the development's Compliance Monitoring and Tracking System ("CMTS") account. In addition, please electronically complete required reports in CMTS indicated below. If any requested item is not submitted, please submit a written explanation. **Failure to submit the requested information by the deadline will result in noncompliance under the finding, *"Failure to provide pre-onsite documentation as required."***

1. Completed electronically through the CMTS:
   a. Monitor Review Questionnaire
   b. Unit Status Report (USR) reporting occupancy as of December 31, 2022

For instructions on how to use the attachment system, please see Attaching Documents to CMTS found on the Department's website. To access on the home page, select the Support and Services tab and then select Compliance. From the submenu, select Online Reporting.

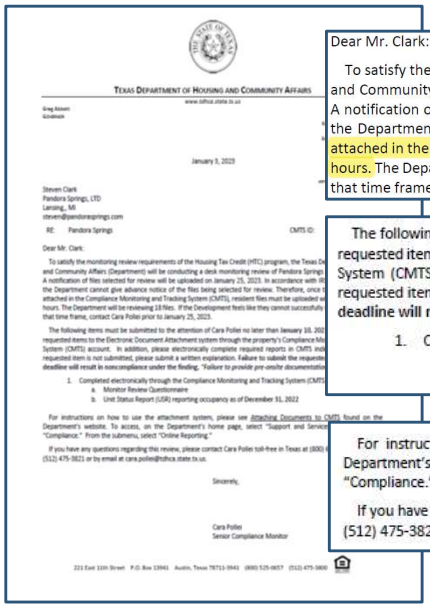
On the day of the monitoring visit, Department staff will need access to original resident files. If original resident files are not maintained at the development, please let the Department know immediately so that arrangements can be made.

Unfortunately, the Department is not able to reschedule or postpone monitoring visits. If you have any questions about the

238

238

Notification of Monitoring Review: Desk


TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Dear Mr. Clark:

To satisfy the monitoring review requirements of the Housing Tax Credit (HTC) program, the Texas Department of Housing and Community Affairs (Department) will be conducting a desk monitoring review of Pandora Springs on January 26, 2023. A notification of files selected for review will be uploaded on January 25, 2023. In accordance with IRS Regulation §1.42-5, the Department cannot give advance notice of the files being selected for review. Therefore, once the unit list has been attached in the Compliance Monitoring and Tracking System (CMTS), resident files must be uploaded within twenty four (24) hours. The Department will be reviewing 18 files. If the Development feels like they cannot successfully upload 18 files within that time frame, contact Cara Pollei prior to January 25, 2023.

The following items must be submitted to the attention of Cara Pollei no later than **January 10, 2023.** Please upload all requested items to the Electronic Document Attachment system through the property's Compliance Monitoring and Tracking System (CMTS) account. In addition, please electronically complete required reports in CMTS indicated below. If any requested item is not submitted, please submit a written explanation. **Failure to submit the requested information by the deadline will result in noncompliance under the finding.** ***"Failure to provide pre-onsite documentation as required."***

1. Completed electronically through the Compliance Monitoring and Tracking System (CMTS)
   a. Monitor Review Questionnaire
   b. Unit Status Report (USR) reporting occupancy as of **December 31, 2022**

For instructions on how to use the attachment system, please see Attaching Documents to CMTS found on the Department's website. To access, on the Department's home page, select "Support and Services" tab, then select "Compliance." From the submenu, select "Online Reporting."

If you have any questions regarding this review, please contact Cara Pollei toll-free in Texas at (800) 643-8204, directly at (512) 475-3821 or by email at cara.pollei@tdhca.state.tx.us.

239

239

Electronic Files

All required records must be made available and accessible for a monitoring review, physical inspection, and whenever requested by the Department. The Department permits electronic records. Digital signatures of both property management and household are acceptable. Developments should have policies in place that allow the household to choose between electronic or hard copy documents. It is the responsibility of the Development Owner to maintain policies and procedures that mitigate fraud, waste, and abuse on an ongoing basis.

240

240

Monitoring Review: CMTS Reporting

Overview

Welcome to the Compliance Monitoring and Tracking System (CMTS). This system allows owners to submit required reports, such as the Unit Status Report (USR) and the Annual Owners Compliance Report (AOCR) and submit documentation directly to the Department.

Login to the CMTS

If you have already received your user id and password from the D

Login to CMTS

CMTS User Guidelines

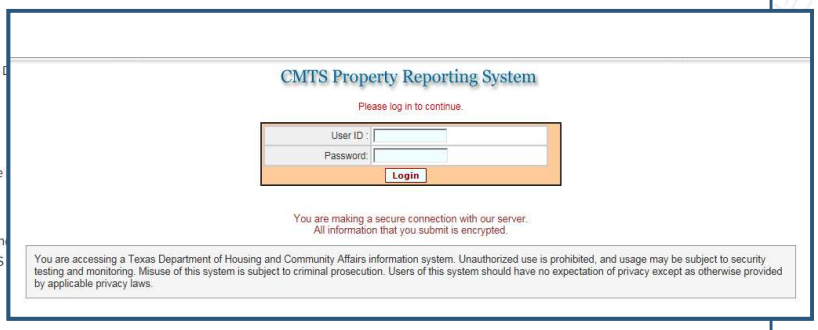
To ensure that information is properly entered into CMTS, please

- Attaching Documents to CMTS (PDF) **NEW**

To use the CMTS Unit Upload feature for uploading household an
that document, the file layouts and field definitions for the CMTS

Visit the Compliance Reports page for additional information.

Visit the Trainings Presentation page for CMTS training.

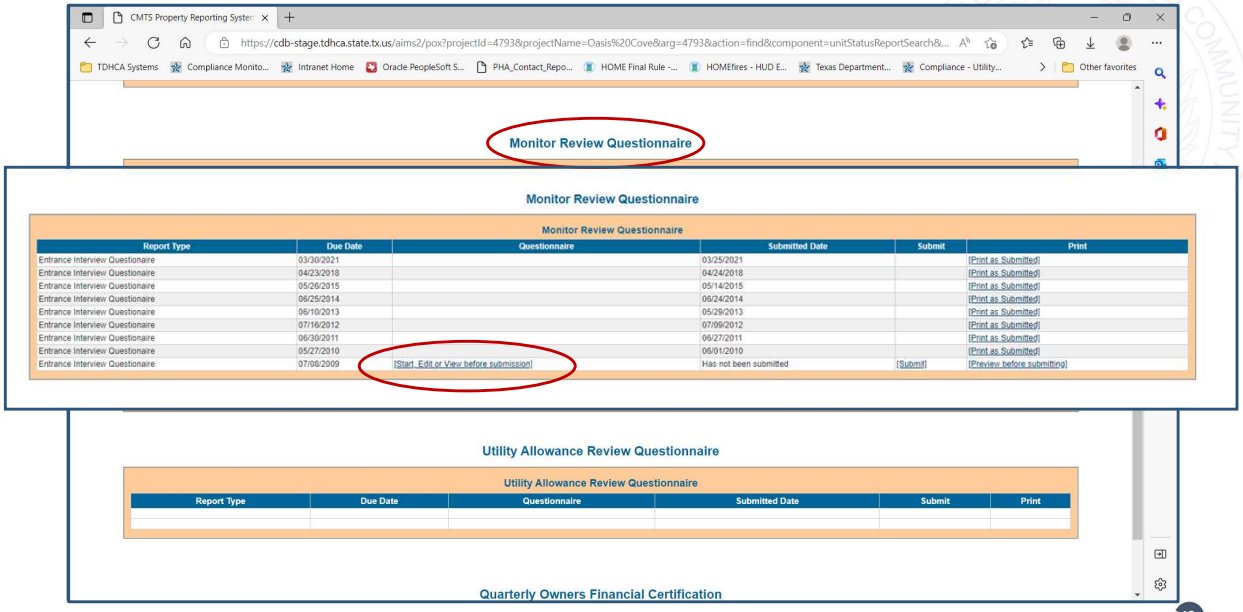


https://www.tdhca.texas.gov/compliance-monitoring-tracking-system

241

241

Monitor Review Questionnaire: Where is it?



242

242

Monitoring Review: CMTS Attachment System

When documentation is uploaded into CMTS by the Department, only the email addresses associated with the property, ownership entity and management company entity will be notified by email.

If the company/group would like more than one person notified of uploads into CMTS it is the company/group's responsibility to setup an email address that would allow more persons to be notified. Note: only one email address may be entered for each of these.

For example, instead of the management entity being john.doe@propertymgmt.com there could be an email address that allows emails to multiple persons, like compliance@propertymgmt.com. You should work with your IT staff to set this up. The Department does not offer this resource.

243

243

Monitoring Review: Utility Allowance Submission

Utility Allowance Schedule
See Public Reporting and Instructions on back.
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 7/31/26)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality: **Housing Authority of the City of Austin, TX**
Date (mm/dd/yyyy): Effective: 6-1-2023
Unit Type: **Multi-Family (Apartment)**

Utility or Service:	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
	Monthly Dollar Allowances					
Heating						
a. Natural Gas	$16.00	$19.00	$21.00	$23.00	$25.00	$27.0
b. Bottle Gas/Propane						
c. Electric	$7.00	$9.00	$11.00	$13.00	$15.00	$17.0
d. Oil						
Cooking						
a. Natural Gas	$4.00	$4.00	$7.00	$8.00	$11.00	$12.0
b. Bottle Gas/Propane						
c. Electric	$4.00	$4.00	$7.00	$8.00	$10.00	$12.0
Other Electric & Cooling						
Other Electric (Lights & Appliances) ***(Includes Monthly Charge)***	$24.00	$27.00	$34.00	$40.00	$47.00	$53.0
Air Conditioning	$12.00	$14.00	$19.00	$24.00	$29.00	$35.0
Water Heating						
a. Natural Gas	$8.00	$9.00	$13.00	$17.00	$21.00	$25.0
b. Bottle Gas/Propane						
c. Electric	$9.00	$10.00	$13.00	$16.00	$19.00	$21.0
d. Oil						
Water, Sewer, Trash Collection						
Water	$37.00	$38.00	$45.00	$52.00	$59.00	$66.0
Sewer	$75.00	$76.00	$90.00	$103.00	$116.00	$130.0
Trash Collection	$30.00	$30.00	$30.00	$32.00	$32.00	$37.0
Tenant-supplied Appliances						
Range / Microwave Tenant-supplied	$11.00	$11.00	$11.00	$11.00	$11.00	$11.0
Refrigerator Tenant-supplied	$12.00	$12.00	$12.00	$12.00	$12.00	$12.0
Other--specify: Monthly Charges						
Natural Gas Charge $22.61	$23.00	$23.00	$23.00	$23.00	$23.00	$23.0

Actual Family Allowances
To be used by the family to compute allowance. *Complete below for the actual unit rented.*

	Utility or Service	per month cost
Name of Family	Heating	$
	Cooking	$
Address of Unit	Other Electric	$
	Air Conditioning	$
	Water Heating	$
	Water	$
	Sewer	$
	Trash Collection	$
	Range / Microwave	$
	Refrigerator	$
Number of Bedrooms:	Other	$
	Other	$
	Total	$

The Nelrod Company 11/2022 Update
adapted from form HUD-52667 (7/2016)

Utility Allowance Schedule
See Public Reporting and Instructions on back.
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA: **Housing Authority of the City of Austin, TX**
Unit Type: **Multi-Family (Apartment)**
Date: 06/01/2024

Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	$14.00	$16.00	$19.00	$20.00	$22.00	$2
	Bottle Gas						
	Electric	$9.00	$10.00	$12.00	$15.00	$17.00	$19
	Fuel Oil						
Cooking	Natural Gas	$4.00	$4.00	$6.00	$7.00	$9.00	$11
	Bottle Gas						
	Electric	$4.00	$5.00	$8.00	$10.00	$12.00	$14
Other Electric	***(Includes Monthly Charge)***	$30.00	$33.00	$41.00	$49.00	$57.00	$65
Air Conditioning		$14.00	$16.00	$22.00	$28.00	$34.00	$4
Water Heating	Natural Gas	$7.00	$8.00	$12.00	$15.00	$19.00	$2
	Bottle Gas						
	Electric	$10.00	$12.00	$15.00	$18.00	$22.00	$25
	Fuel Oil						
Water		$38.00	$39.00	$46.00	$54.00	$61.00	$62
Sewer		$77.00	$79.00	$93.00	$107.00	$121.00	$13
Trash Collection		$32.00	$32.00	$32.00	$33.00	$33.00	$3
Other specify: Natural Gas Charge $25.52		$26.00	$26.00	$26.00	$26.00	$26.00	$2
Range/Microwave		$11.00	$11.00	$11.00	$11.00	$11.00	$1
Refrigerator		$12.00	$12.00	$12.00	$12.00	$12.00	$1

Actual Family Allowances-May be used by the family to compute allowance while searching for a unit.

	Utility/Service/Appliance	Allowa
Head of Household Name	Heating	
	Cooking	
Unit Address	Other Electric	
	Air Conditioning	
	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Total	

The Nelrod Company 11/2023 Update
adapted from form HUD-52 (04/2023)

Utility Allowance Schedule
See Public Reporting and Instructions on back.
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB Approval No. 2577-0169 (exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA: **Housing Authority of the City of Austin, TX**
Unit Type: **Multi-Family - (Apartment)**
Date (mm/dd/yyyy): 06/01/2025

Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	$16.00	$19.00	$21.00	$23.00	$25.00	$27.00
	Bottle Gas						
	Electric	$9.00	$11.00	$13.00	$16.00	$18.00	$21.00
	Fuel Oil						
Cooking	Natural Gas	$4.00	$4.00	$7.00	$8.00	$11.00	$12.00
	Bottle Gas						
	Electric	$5.00	$6.00	$8.00	$11.00	$13.00	$16.00
Other Electric	***(Includes Monthly Charge)***	$33.00	$37.00	$45.00	$53.00	$62.00	$71.00
Air Conditioning		$15.00	$17.00	$24.00	$30.00	$37.00	$44.00
Water Heating	Natural Gas	$8.00	$9.00	$13.00	$17.00	$21.00	$25.00
	Bottle Gas						
	Electric	$11.00	$13.00	$16.00	$20.00	$23.00	$27.00
	Fuel Oil						
Water		$40.00	$41.00	$49.00	$57.00	$65.00	$73.00
Sewer		$86.00	$87.00	$104.00	$120.00	$136.00	$152.00
Trash Collection		$34.00	$34.00	$34.00	$36.00	$36.00	$42.00
Other specify: Natural Gas Charge $28.35		$28.00	$28.00	$28.00	$28.00	$28.00	$28.00
Range/Microwave		$11.00	$11.00	$11.00	$11.00	$11.00	$11.00
Refrigerator		$12.00	$12.00	$12.00	$12.00	$12.00	$12.00

Actual Family Allowances-May be used by the family to compute allowance while searching for a unit.

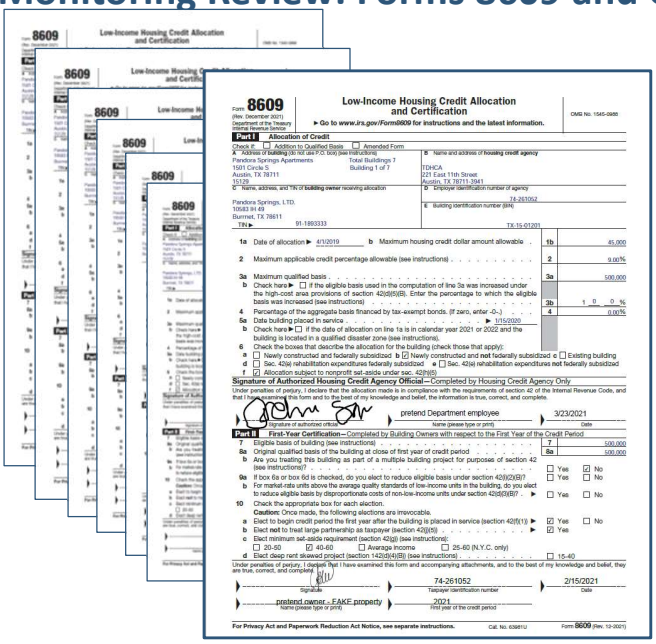
	Utility/Service/Appliance	Allowance
Head of Household Name	Heating	
	Cooking	
Unit Address	Other Electric	
	Air Conditioning	
	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Total	

The Nelrod Company 11/2024 Update
adapted from form HUD-52667 (04/2023)

244

244

Monitoring Review: Forms 8609 and Certificates of Occupancy



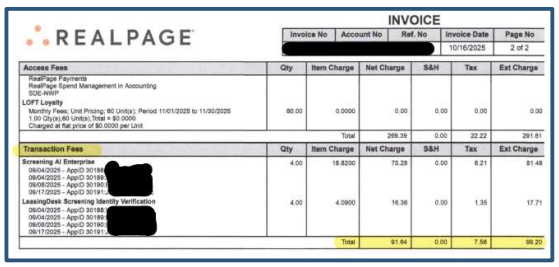
If you have received Temporary Certificates of Occupancy those must be submitted also. This will "drive" the Placed-in-Service Date.

This is an important date for special needs and CoC requirements.

245

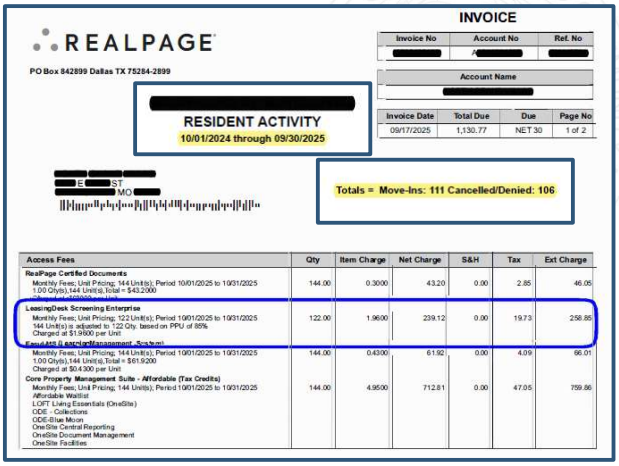
245

Monitoring Review: Application Fees



This letter is to confirm the current pricing for **All Properties** managed by [redacted] located within the state of **Texas**. With respect to these properties, the pricing for the **Screening AI Enterprise** and **LeasingDesk Screening Business Credit** products is based on a fee of **$15.35 and $40.00** per applicant. This pricing is pursuant to the **Addendum** to **Master Agreement**, signed and dated 06/01/2020. Note: Invoices are reconciled periodically, and individual invoices may not represent all charges.

RealPage Screening Product	Item Charge
Screening AI Enterprise	$15.35*
LeasingDesk Screening Business Credit Report	$40.00*
*Total Price excluding taxes where applicable**	



If the development is billed a lump sum monthly, it is also necessary to include the above and a statement of how the application fee was calculated.

246

246

Monitoring Review: Material Participation

Qualified Non Profit Participation

Hammond Housing Community Services is the non-profit member of the general partner.

Pandora Management Group is responsible for directing the operation of the property.

The Non-Profit staff meets monthly with the management company staff about the property operation and issues. Regarding specific issues, the Non-Profit staff meet with whom ever is necessary, i.e. attorneys, accountants, consultants, government personnel, residents, management personnel, etc.

The Non-Profit reviews the budgets, management plans (including staffing, operating procedures, hours of operation, etc), site visits, financial reviews and audit reviews.

As part of the Non-Profit's oversight of the management company, the management company's operation, the property and the property's operation, Hammond Housing Community Services is actively involved in the operation of the property.

247

247

Monitoring Review: Supportive Services

If the LURA requires Supportive Service:

- Documentation evidencing compliance with all Supportive Service requirements in the Land Use Restriction Agreement (LURA).
  - For example: sign-in-sheets, notices, calendars, schedule of planned/upcoming services, invoices, contracts and ledgers, and the provider's tax-exempt status, if applicable.
- **Upload into CMTS evidence of two current consecutive services for each service provided (example: monthly = 2 months, quarterly =2 quarters, weekly = 2 weeks' worth, weekday = 2 weeks' worth).**
- The development may also submit an outline showing the planned services in addition to the back-up for services already held.

248

248

Desk Review: Files Requested

Dear Mr. Clark:

In regards to the Desk Monitoring Review required for the above referenced deve
files have been selected for review:

8 15 22 30 31

Pandora Springs

The deadline for submission is January 26, 2023 at 10:00 am. Fai e requested documentation will result in noncompliance. If you have any further questions ase contact Cara Pollei toll-free in Texas at (800) 643-8204, directly at (512) 475-3 1 or by email at cara.pollei@tdhca.state.tx.us.

of the posted Guide.

6. Initial Income Certification form
7. Initial Income, Asset and Student Status Verifications
8. Initial Notes or Clarifications to the file
9. Any additional documentation demonstrating initial eligibility
10. Annual Recertification including application, verification of income, asset and student status or Annual Eligibility Certification
11. Rent Ledger

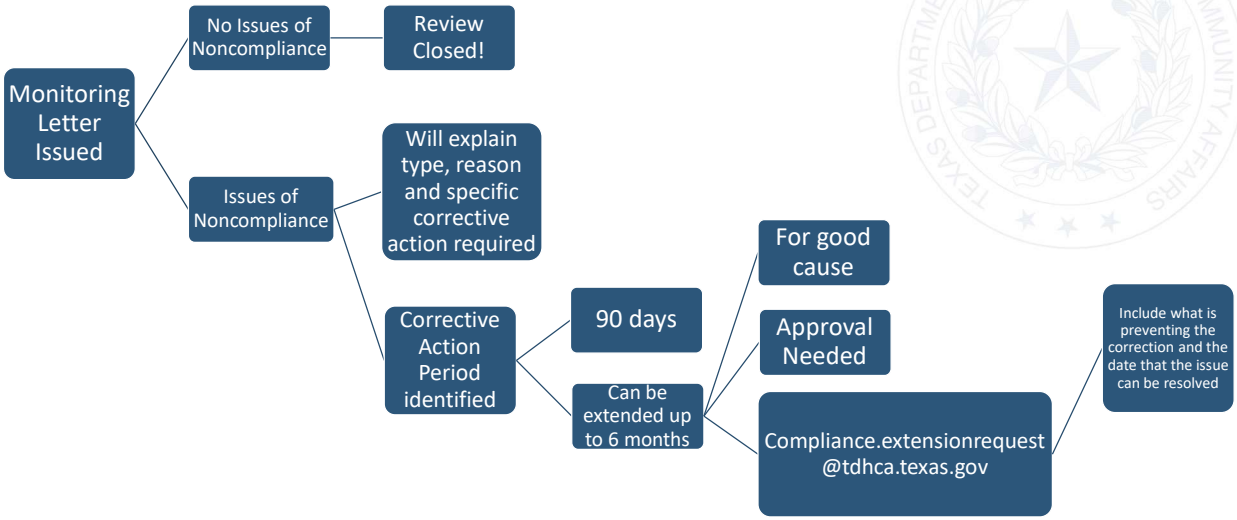
221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800

Deadline is a hard deadline due to the updated IRS §1.42-5 regulation: "reasonable notice of review is no more than 15 days"

249

249

Monitoring Report



250

250

Monitoring Report: The Report

Pandora Springs

Additional tips and links for future reference:

- *Join Our Email List: The Department recommends signing up for the Email list to receive updates regarding important compliance rule and form changes. Sign up at the "Join our Email List" link in the left column of the TDHCA homepage at http://www.tdhca.state.tx.us/.*
- *Compliance Monitoring Rules: These rules change periodically and you are responsible for staying apprised of any and all updates. The rules are published on the Secretary of State website at: http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=10&sch=F&rl=Y.*
- *Compliance Forms are available at: http://www.tdhca.state.tx.us/pmcomp/forms.htm*
- *Income and Rent Limits are published at least annually at: http://www.tdhca.state.tx.us/pmcomp/irl/index.htm*
- *Frequently asked questions and answers are available at: http://www.tdhca.state.tx.us/pmcomp/compFaqs.htm*
- *Ownership transfer: If you are contemplating a sale, transfer, or exchange of the Development or the structure of the owning entity, you are required to receive pre-approval from TDHCA. Procedures are outlined in the Ownership Transfer section of the Post Award Activities Manual at: http://www.tdhca.state.tx.us/asset-management/pca-manual.htm*

221 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0657 (512) 475-3800

251

251

Monitoring Report: The Details

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS Printed Date 12/29/22

PROPERTY FINDINGS

Finding	Noncompliance with utility allowance requirements described in §10.614 of this subchapter and/or Treasury Regulation 1.42-10		
Noncompliance Date	11/28/2022	**Current Status** Uncorrected - Not Reportable to IRS	**Correction Date**
Reason	The Department issued an approval of the Energy Consumption Model on October 6, 2022. The Utility Allowance was to be in effect for rents due after November 27, 2022. At the time of the Monitoring Review the new allowance was not implemented.		
Corrective Action	Implement the utility allowances effective for rent due after November 27, 2022. Update the Unit Status Report (USR) and submit to the Department to evidence compliance. Once the utility allowance is in effect, the Department will review the gross rent for each unit to confirm compliance with the Land Use Restriction Agreement. Any additional noncompliance that results from that review will be addressed under separate cover. The finding will be corrected once the owner can demonstrate that the gross rent for each unit is restricted and that the proper utility allowance has been implemented.		

UNIT FINDINGS

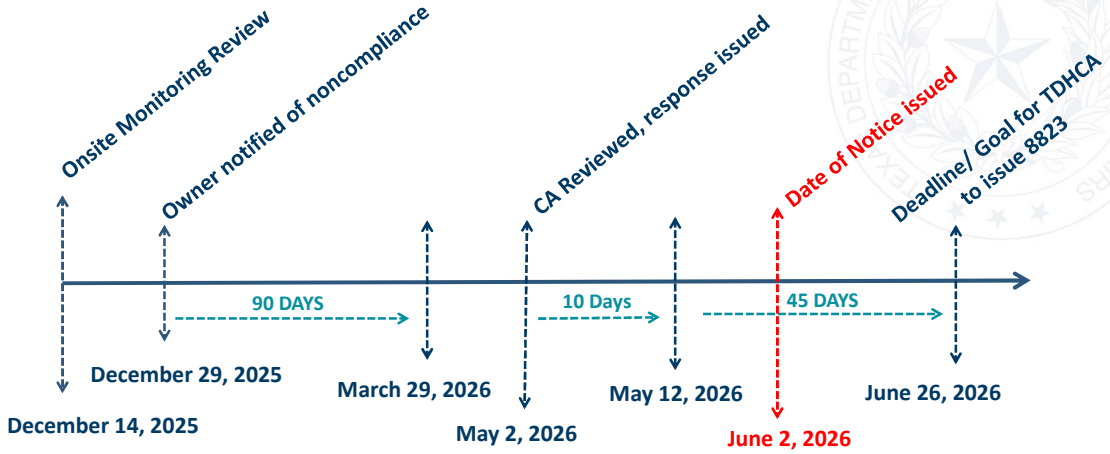
Unit # 15 **Bldg. #** 03 **BIN #** TX175101103

Finding	Failure to provide Tenant Income Certification and documentation		
Noncompliance Date	06/01/2022	**Current Status** Corrected	**Correction Date** 12/14/2022
Reason	In accordance with Title 10 of the Texas Administrative Code §10.612, HTC projects (as defined on Part II question, 8b of IRS From 8609) with Market Units must complete annual income recertification. During the monitoring review, the Department did not observe an annual re-certification for unit 15 which was due on June 1, 2022.		
Corrective Action	The household completed the annual re-certification on December 9, 2022. No further action is required.		
Potential Administrative Penalty	$250 per violation		

252

252

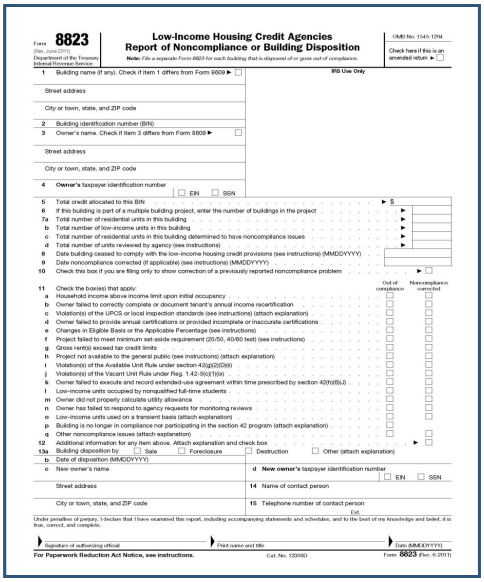
Monitoring Report: The Timeline



253

253

Form 8823: Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition



Form **8823** (Rev. June 2011) Department of the Treasury Internal Revenue Service

Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition

Note: File a separate Form 8823 for each building that is disposed of or goes out of compliance.

OMB No. 1545-1204

Check here if this is an amended return ▶ ☐

IRS Use Only

1 Building name (if any). Check if item 1 differs from Form 8609 ▶ ☐

Street address

City or town, state, and ZIP code

2 Building identification number (BIN)

3 Owner's name. Check if item 3 differs from Form 8609 ▶ ☐

Street address

City or town, state, and ZIP code

4 **Owner's** taxpayer identification number ☐ EIN ☐ SSN

5 Total credit allocated to this BIN ▶ $

6 If this building is part of a multiple building project, enter the number of buildings in the project ▶

7a Total number of residential units in this building ▶

b Total number of low-income units in this building ▶

c Total number of residential units in this building determined to have noncompliance issues ▶

d Total number of units reviewed by agency (see instructions) ▶

8 Date building ceased to comply with the low-income housing credit provisions (see instructions) (MMDDYYYY)

9 Date noncompliance corrected (if applicable) (see instructions) (MMDDYYYY)

10 Check this box if you are filing only to show correction of a previously reported noncompliance problem ▶ ☐

11 Check the box(es) that apply:	Out of compliance	Noncompliance corrected
a Household income above income limit upon initial occupancy	☐	☐
b Owner failed to correctly complete or document tenant's annual income recertification	☐	☐
c Violation(s) of the UPCS or local inspection standards (see instructions) (attach explanation)	☐	☐
d Owner failed to provide annual certifications or provided incomplete or inaccurate certifications	☐	☐
e Changes in Eligible Basis or the Applicable Percentage (see instructions)	☐	☐
f Project failed to meet minimum set-aside requirement (20/50, 40/60 test) (see instructions)	☐	☐
g Gross rent(s) exceed tax credit limits	☐	☐
h Project not available to the general public (see instructions) (attach explanation)	☐	☐
i Violation(s) of the Available Unit Rule under section 42(g)(2)(D)(ii)	☐	☐
j Violation(s) of the Vacant Unit Rule under Reg. 1.42-5(c)(1)(iii)	☐	☐
k Owner failed to execute and record extended-use agreement within time prescribed by section 42(h)(6)(J)	☐	☐
l Low-income units occupied by nonqualified full-time students	☐	☐
m Owner did not properly calculate utility allowance	☐	☐
n Owner has failed to respond to agency requests for monitoring reviews	☐	☐
o Low-income units used on a transient basis (attach explanation)	☐	☐
p Building is no longer in compliance nor participating in the section 42 program (attach explanation)	☐	
q Other noncompliance issues (attach explanation)	☐	☐

12 Additional information for any item above. Attach explanation and check box ▶ ☐

13a Building disposition by ☐ Sale ☐ Foreclosure ☐ Destruction ☐ Other (attach explanation)

b Date of disposition (MMDDYYYY)

c New owner's name

d **New owner's** taxpayer identification number ☐ EIN ☐ SSN

Street address

14 Name of contact person

City or town, state, and ZIP code

15 Telephone number of contact person (Ext.)

Under penalties of perjury, I declare that I have examined this report, including accompanying statements and schedules, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of authorizing official ▶ Print name and title ▶ Date (MMDDYYYY) ▶

For Paperwork Reduction Act Notice, see instructions. Cat. No. 12398D Form **8823** (Rev. 6-2011)

This form is completed by the Department

This is the mechanism used by the State Housing Finance Agency (SHFA or HFA) to report noncompliance in a building to the Internal Revenue Service (IRS)

254

254

Form 8823: Types of Noncompliance

Form **8823** | **Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition**

			Noncompliance corrected
11	Check the box(es) that applies:		
a	Household income above income limit upon initial oc		☐
b	Owner failed to correctly complete or document te		☐
c	Violation(s) of the UPCS or local inspection standard		☐
d	Owner failed to provide annual certifications or provid		☐
e	Changes in Eligible Basis or the Applicable Percentag		☐
f	Project failed to meet minimum set-aside requiremen		☐
g	Gross rent(s) exceeds limits		☐
h	Project not available to the general public (see instru		☐
i	Violation(s) of the Available Unit Rule under section 42(g)(2)		☐
j	Violation(s) of the Vacant Unit Rule under Reg. 1.42-5(c)(1)(ix)	☐	☐
k	Owner failed to execute and record extended-use agreement w	☐	☐
l	Low-income units occupied by nonqualified full-time students	☐	☐
m	Owner did not properly calculate utility allowance	☐	☐
n	Owner has failed to respond to agency requests for monitoring reviews	☐	☐
o	Low-income units used on a transient basis (attach explanation)	☐	☐
p	Building is no longer in compliance nor participating in the section 42 program. (Attach explanation.)	☐	
q	Other noncompliance issues (attach explanation)	☐	☐
12	Additional information for any line above. Attach explanation and check box ▶	☐	

Signature of authorizing official | Print name and title | Date (MM/DD/YYYY)

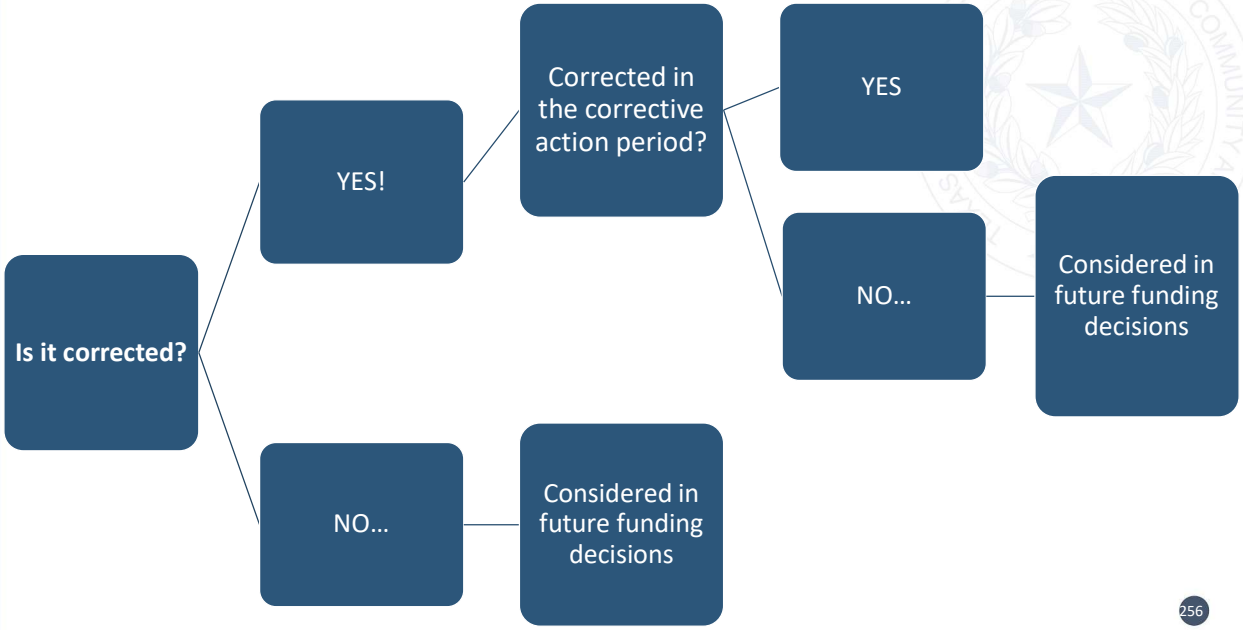
For Paperwork Reduction Act Notice, see instructions. Cat. No. 12346D Form **8823** (Rev. 6-2011)

Each category has a corresponding Chapter in the *Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition Audit Technique Guide: Guide for Completing Form 8823*

255

255

Noncompliance Status System



256

256

Monitoring: Learning Point 1

Failure to submit the Annual Owner Compliance Report (AOCR) by April 30th will result in an issue of noncompliance. True or false?

A True

B False

257

257

Monitoring: Learning Point 2

If the Development has Certificates of Occupancy and Temporary Certificates; which should be submitted?

A Both

B Neither

258

258

Monitoring: Learning Point 3

When there are issues of noncompliance the development will be given a 6-month Corrective Action Period?

A True

B False

259

259

Monitoring: Learning Point 4

All issues of noncompliance, including violations of State specific requirements, are reported to the IRS on Form 8823?

A True

B False

260

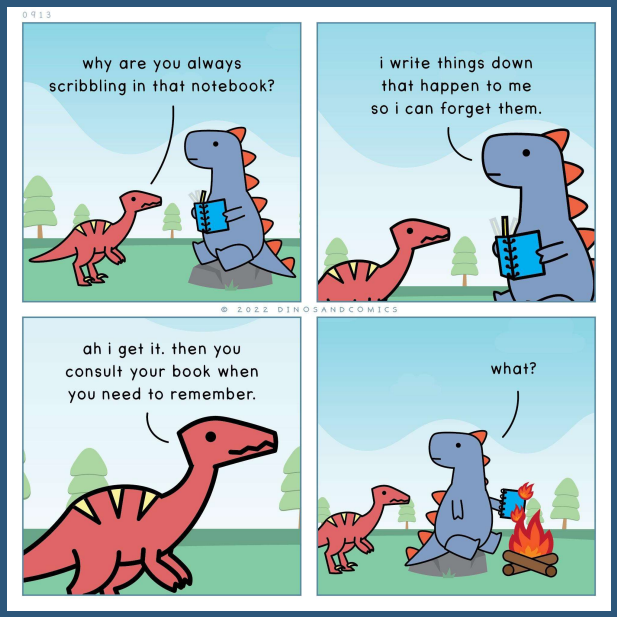
260

What happens if you do not agree?

Contact the Monitor and/or the Director of Compliance Monitoring	
National Center for Housing Management (NCHM)	• Income/Asset • Inclusion/Exclusions
Internal Revenue Service (IRS)	• HTC Specific Program concerns

261

261



THANK YOU!

Housing Tax Credit 2026

Texas Department of Housing and Community Affairs
221 East 11th Street, Austin, Texas 78701
PO Box 13941, Austin, Texas 78711

(512) 475-3800 or (800) 525-0657

www.tdhca.texas.gov
multifamilycompliance@tdhca.texas.gov

Equal Housing Opportunity

262