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## Contact Information

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

**Physical Address:**  
TDHCA  
221 East 11<sup>th</sup> Street  
Austin, TX 78701

**Website:** <https://www.tdhca.texas.gov>  
**Email:** [multifamilycompliance@tdhca.texas.gov](mailto:multifamilycompliance@tdhca.texas.gov)

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

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## 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

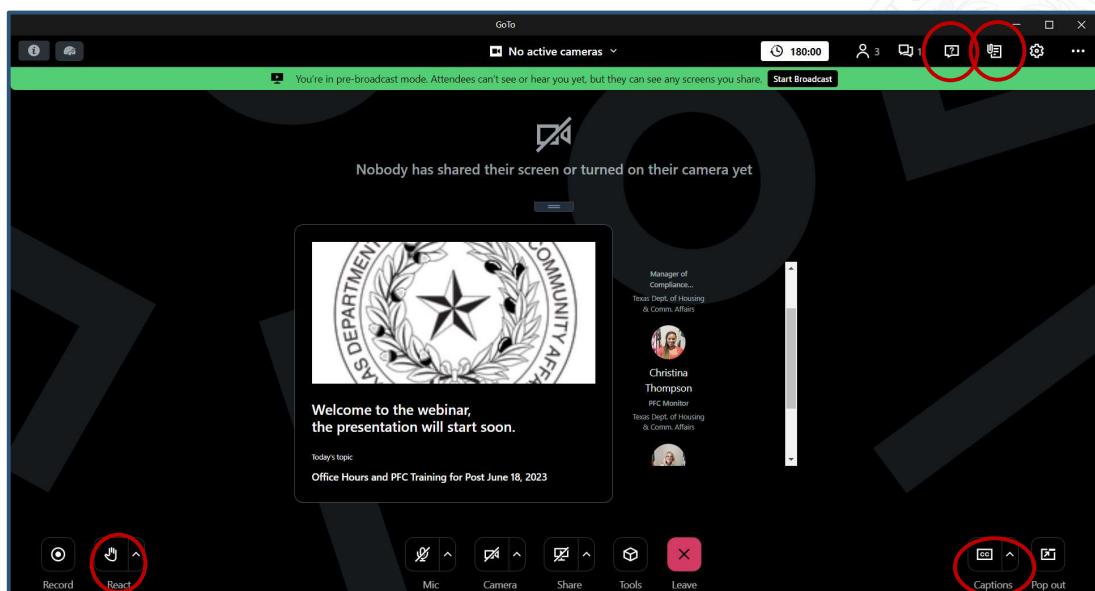
### Housekeeping:

- 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”

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## GoTo Meeting Platform



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## 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](mailto:info@tdhca.texas.gov)

Or visit Help For Texans:

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



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## Resources



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## 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](https://texas-sos.appianportalsgov.com/rules-and-meetings?chapter=10&interface=VIEW_TAC&part=1&subchapter=F&title=10)



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## Module 1

### The Tax Credit Program



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## 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



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## 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)**



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## 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



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## Key Players: Owners

### Owners

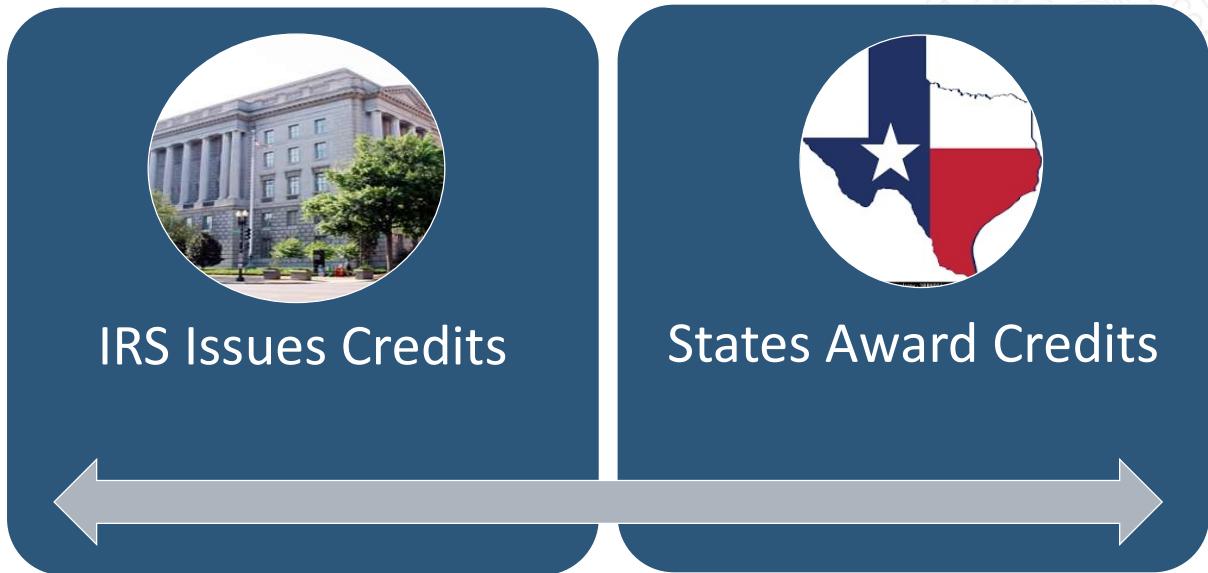
- Provide affordable units
- Maintain property standards
- Maintain sufficient documentation to evidence compliance with all requirements
- Establish written policies and procedures
- Report to TDHCA



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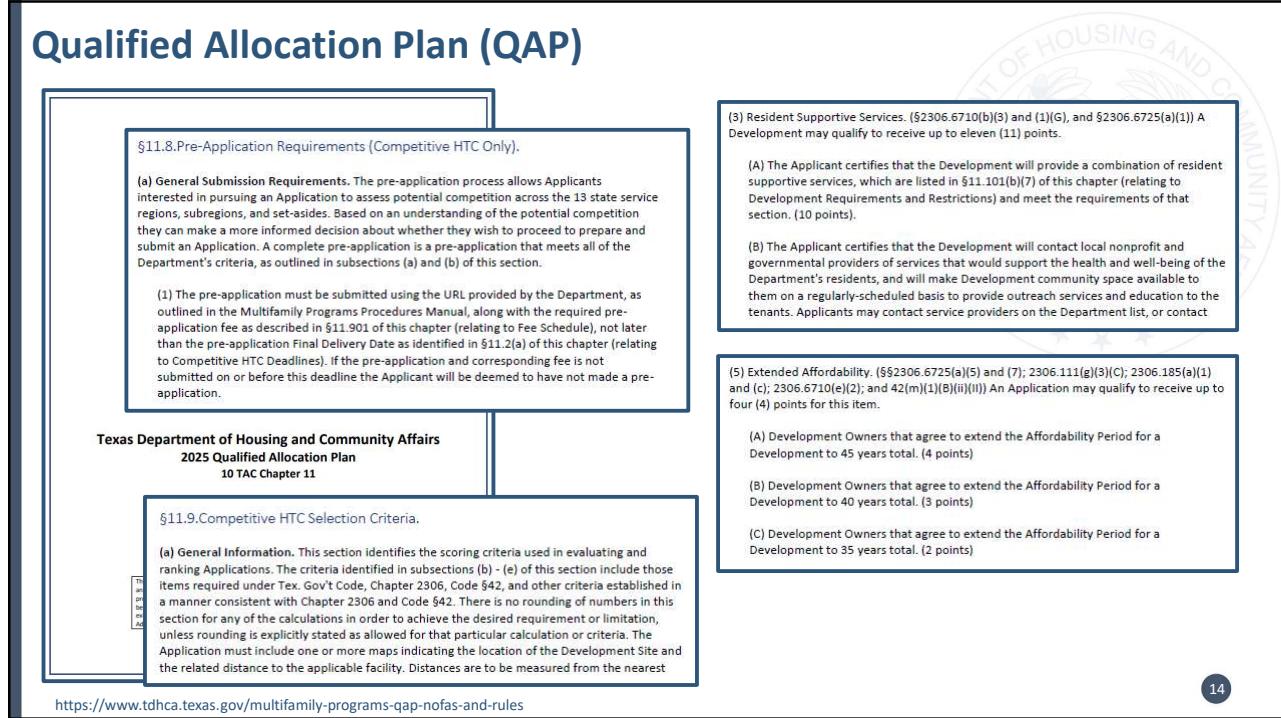
## How it works



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## Qualified Allocation Plan (QAP)



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## Qualified Allocation Plan (QAP)

### SUBCHAPTER B. SITE AND DEVELOPMENT REQUIREMENTS AND RESTRICTIONS

#### 10 TAC §11.101

##### §11.101 Site and Development Requirements and Restrictions.

**(a) Site Requirements and Restrictions.** The purpose of this section is to identify specific requirements and restrictions related to a Development Site seeking multifamily funding or assistance from the Department.

##### (6) Unit Requirements.

(A) **Unit Sizes.** Developments proposing New Construction or Reconstruction will be required to meet the minimum sizes of Units as provided in clauses (i) - (v) of this subparagraph. These minimum requirements are not associated with any selection criteria. Developments proposing Rehabilitation (excluding Reconstruction) or Supportive Housing Developments will not be subject to the requirements of this subparagraph. If the Development involves both Rehabilitation and Reconstruction or New Construction, the Reconstruction or New Construction Units must meet these 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.

**(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 paragraph. Rehabilitation (excluding Reconstruction) Developments must provide the amenities in subparagraphs (D) - (L), (N), and (O) of this paragraph unless stated otherwise. Supportive Housing Developments are not required to provide the amenities in subparagraph (B), (E), (F), (G), (H) or (N) of this paragraph; however, access must be provided to a comparable amenity in a Common Area. All amenities listed below must be at no charge to the residents. Residents must be provided written notice of the applicable required amenities for the Development. The Board may waive one or more of the requirements of this paragraph for Developments that will include Historic Tax Credits, with evidence submitted with the request for amendment that the amenity has not been approved by the Texas Historical Commission or National Park Service, as applicable. Applicants for Multifamily Direct Loans should be aware that certain amenities are not eligible for Direct Loan funding, including without limitation, detached community spaces, furnishings, swimming pools, athletic courts, and playgrounds, as more fully described at §13.3 of this title (relating to General Loan Requirements). Amenities include:

- (A) All Units must have connections available using current technology for data and phone;
- (B) Laundry connections;
- (C) Exhaust/vent fans (vented to the outside) in the bathrooms;
- (D) Screens on all operable windows;
- (E) Disposal (not required for USDA Rehabilitation);

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

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## Qualified Allocation Plan (QAP)

**(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>

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## 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).

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## 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

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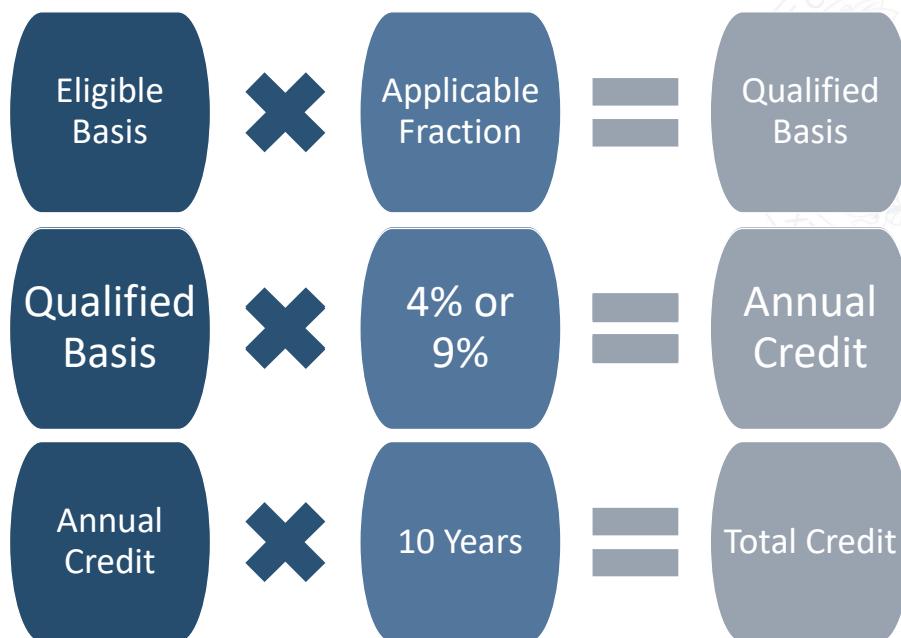
## What's Next?



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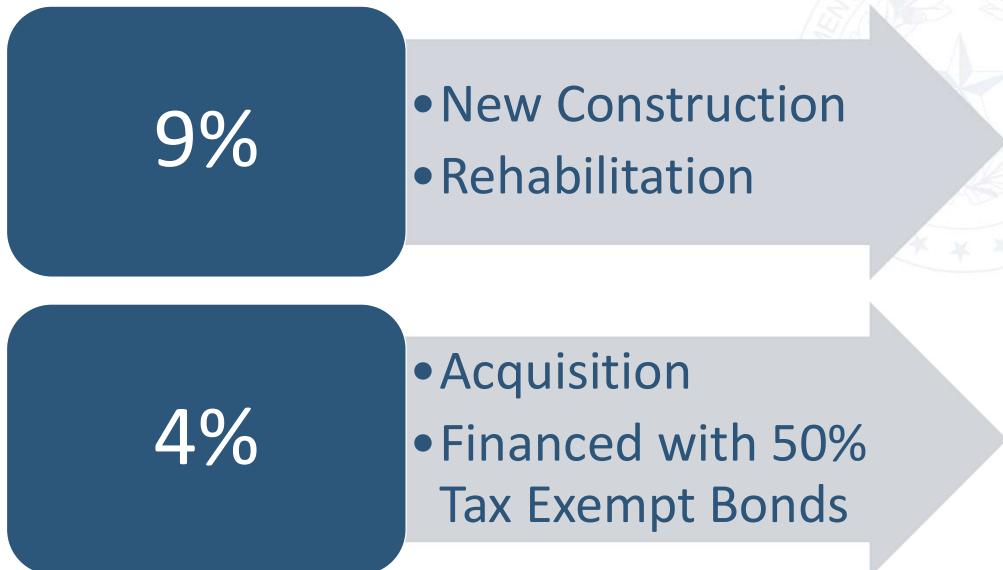
## Eligible Basis to Total Credit



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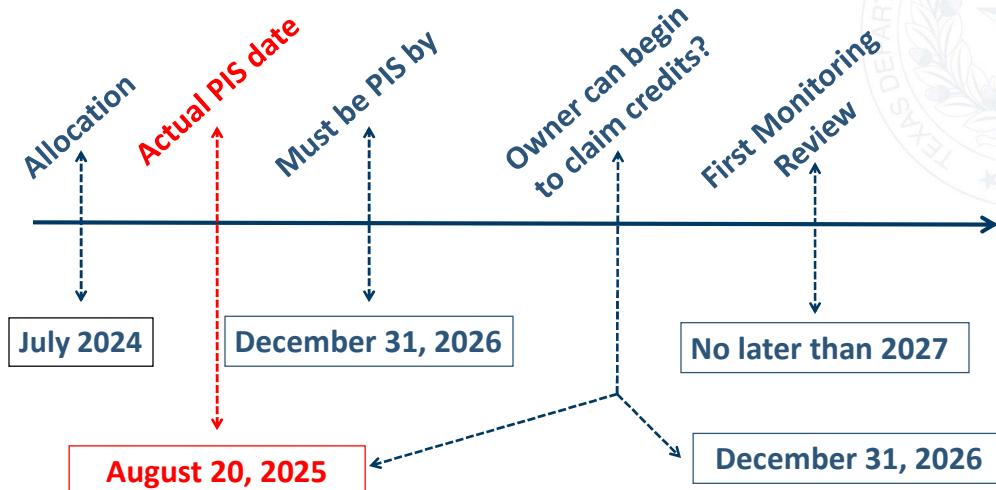
## Credit Percentage: 9% versus 4%



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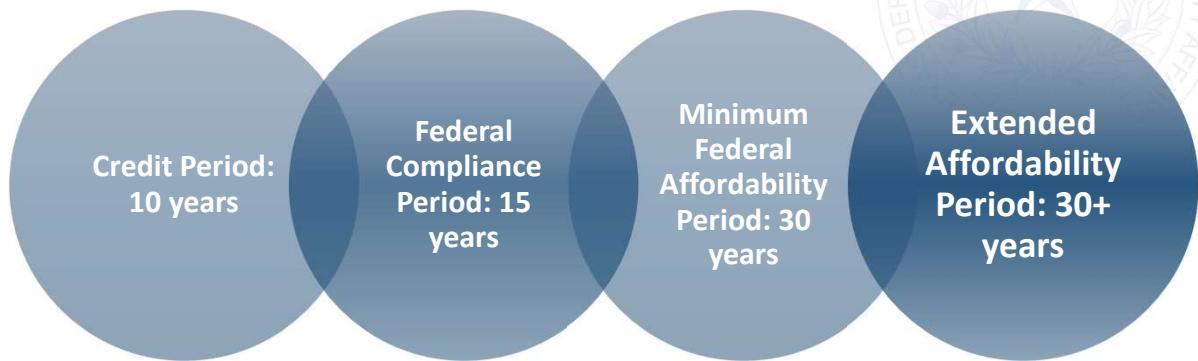
## Timeline: From Allocation to First Monitoring Review



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## Timeline: LURA Requirements



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## Module 2

The Land Use Restriction  
Agreement



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## Land Use Restriction Agreement (LURA)

TDHC #20

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 (this "Declaration"), dated as of OCTOBER 6, 2026, is made by and between THE DRAKE L.P. 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"). This Declaration is made in consideration of the mutual covenants and conditions precedent to the determination that the Development, as defined herein, satisfies the requirements of the State of Texas' Qualified Affordability Plan and the allocation of low-income housing tax credits (the "Tax Credits") by the Department, pursuant to Section 42 of the Code, as amended in 1986, and the regulations promulgated pursuant thereto. This Declaration incorporates the extended low-income housing commitment contained in Section 42(j)(5) of the Code and is entered into in accordance with the provisions of Chapter 2008 of the Texas Government Code, (the "Act"), as may be amended from time to time.

**WITNESSETH:**

WHEREAS, the Development Owner or shall be the Development Owner of a low income rental housing development, known as the "Development" (the "Development Improvement"), on real property located at the legal description \_\_\_\_\_, State of Texas, more particularly described in the legal description(s) attached hereto as Exhibit A, and incorporated herein by reference for all purposes (the "Development Land") (the Development Improvement 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 Residential Tax Credit Rules, that the Development Improvement will be developed in accordance with the requirements of the Uniform multifamily Taxes (Title 10, Part 1, Chapter 11 of the Texas Administrative Code), the Department's Uniform Residential Construction and Safety Rules (Title 10, Part 1, Chapter 12 of the Texas Administrative Code), Title 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 Development Improvement to low-income households at 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 herein, 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 net, occupancy, and ownership restrictions as shown in the "Addendum Use Restrictions" attached hereto as Addendum B. "Additional Use Restrictions" (hereinafter referred to as "Addendum C" and "Additional Use Restrictions" - Amending Requirements attached hereto as Addendum C and Addendum D, and collectively referred to as "Addendum C" or "Addendum D" or "Additional Requirements" 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 Tax Credits, as a condition precedent to the allocation of Tax Credits, that the Development Owner agrees, deliver, and record in the most probable records of the county in which the Development is located its Declaration in order to ensure 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 that it has and are covenants running with the

DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR HOUSING TAX CREDITS

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.

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## The LURA Process



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## The LURA



# What can you find in the LURA?

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## 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**

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 income 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**

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## 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 **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 E**. 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

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## 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 E**. 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

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## 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.

**Average Income**

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;

**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.

**Average Income**

**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 AMI. The following rent and occupancy restrictions will not be included in the income average calculation identified in the section above.

**Average Income**

**ADDITIONAL RENT AND OCCUPANCY RESTRICTIONS**

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

**Average Income**

31

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## 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.

**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 and will specifically market to the public housing authority (PHA) waiting lists 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.

**Marketing (10 TAC §11.204(1)(G) of the 2022 QAP)**

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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.

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## 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>

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## 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](mailto:Fair.Housing@tdhca.texas.gov)

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## 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

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## The LURA: Learning Point 2

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

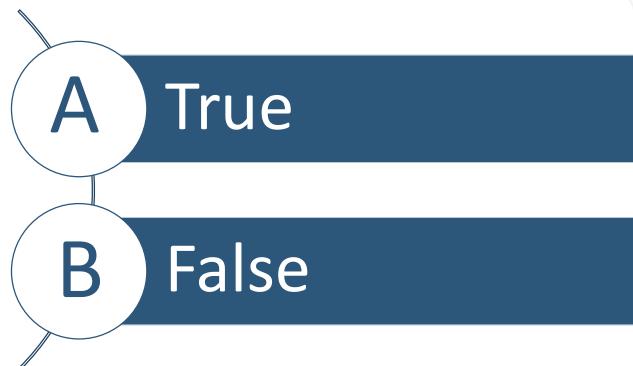
- A True
- B False

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## The LURA: Learning Point 3

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



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## 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 AMI. 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

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## 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

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## 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.

80%      70%      60%      50%      40%      30%      20%

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

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40

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## 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

80%      70%      60%      50%      40%      30%      20%

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

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## 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

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## 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

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## 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.

If the LURA does not include this or the “box” is not checked, the development does not have an extended 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

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## The LURA: Historically Underutilized Business (HUB)

**HISTORICALLY UNDERUTILIZED BUSINESS (HUB) (10 TAC §11.9(b)(2)(A) OF THE 2023 QAP)**

TDHCA notice: HUB Compliance Monitoring Suspension

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

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](mailto:wendy.quackenbush@tdhca.texas.gov) or by phone at (512) 305-8860.

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## 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 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 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 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.

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## 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

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## 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.

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## The LURA: Elderly Development

### ELDERLY DEVELOPMENT (10 TAC §11.1(d)(47) OF THE 2002 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.

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## 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 Department, 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:

### QUALIFIED ELDERLY DEVELOPMENTS<sup>1</sup>

#### 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.

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## 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.

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## 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 on the following criteria for supportive services appropriate to the provided residential services for the following period: The Development Owner is charged, according to the services offered, toward 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 service, and services offered must be provided by a qualified and reputable provider in a manner that is consistent with the mission of the provider (i.e., 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 demonstrate sufficient knowledge to be providing the service. In general, on-site leases, staff or property management fees, and other costs associated with the provision of services must be included in the cost of the service and paid directly to the provider. Unless otherwise noted, courses and services must be offered by an on-site 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 once (1) days a week, to a grocery store and pharmacy or a major, big-box retailer that includes a grocery store and pharmacy OR (3) days a week, 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 theater, 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, fitness 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 counseling, homebuyer counseling, health education courses, certification courses, GED prep classes, resume and interview preparatory classes, general knowledge classes about community services and resources, and any other course, class, or presentation that may equip residents with new skills that they may want to develop (3.5 points).

• Annual financial literacy training, including but not limited to *Debt Management* or *Debt Management for Renters* 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 food service, janitorial, maintenance, and other areas that may be available to the development (2 points).

• 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 arrangement of non-perishable food items and common household items (i.e., laundry detergent, toilet paper, etc.) available to all residents at least once a month, or upon request to a resident, where it is possible that transportation may be provided to a local food bank to meet the requirement of this resident service, while it is possible that transportation is required to pay for the items they receive at the food bank (2 points);

• Annual health fair provided by a health care provider (1 point);

• Weekly or monthly dental cleanings for those residents who are most likely to attend (1 point); and

• Contracted onsite occupational or physical therapy services for Eddy 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.) (1 point);

• Notary Services during regular business hours (§2305.6710(b)(3)) (1 point);

• Twice monthly arts, crafts, and other recreational activities (e.g. Book Clubs and creative writing classes) (1 point);

How can you bee  
successful with  
Supportive Services?

Read the LURA!



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## 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.

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## Who provides the Supportive Services? continued

<input checked="" type="checkbox"/> Tenant Supportive Services
<input checked="" type="checkbox"/> 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.
<input checked="" type="checkbox"/> 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, <u>six</u> 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.

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## 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):

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## 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 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.**

**Supportive Services**

**Throughout the Compliance Period**, unless otherwise permitted by the Department, a Local Tax Exempt Organization shall provide the following special supportive services that would not otherwise be available to the tenants: Health and \_\_\_\_\_ wellness services.

**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.

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## 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.

57

57

## 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



58

58

## 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

59

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## 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

60

60

## 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 Colonias 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).

61

61

## 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

62

62

## 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

63

63

## 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)**

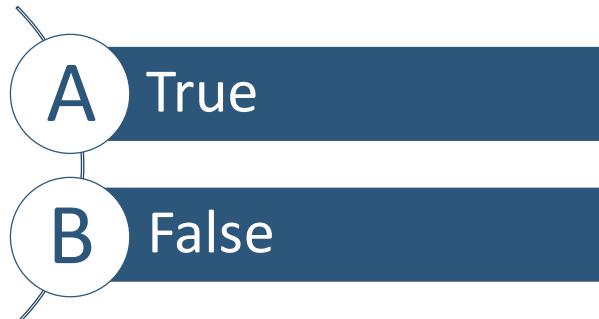
The tenant applications must provide a space for applicants to indicate if they are a veteran. In addition, the application must include the following statement: "Important Information for Former Military Services Members. Women and men who served in any branch of the United States Armed Forces, including 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/>.

64

64

## 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?



65

65

## 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-23-20802	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%

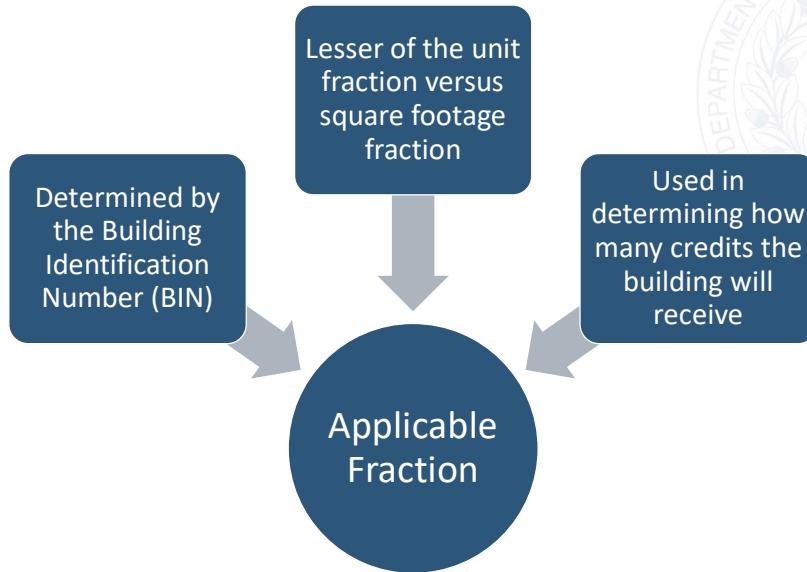
ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

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%

66

66

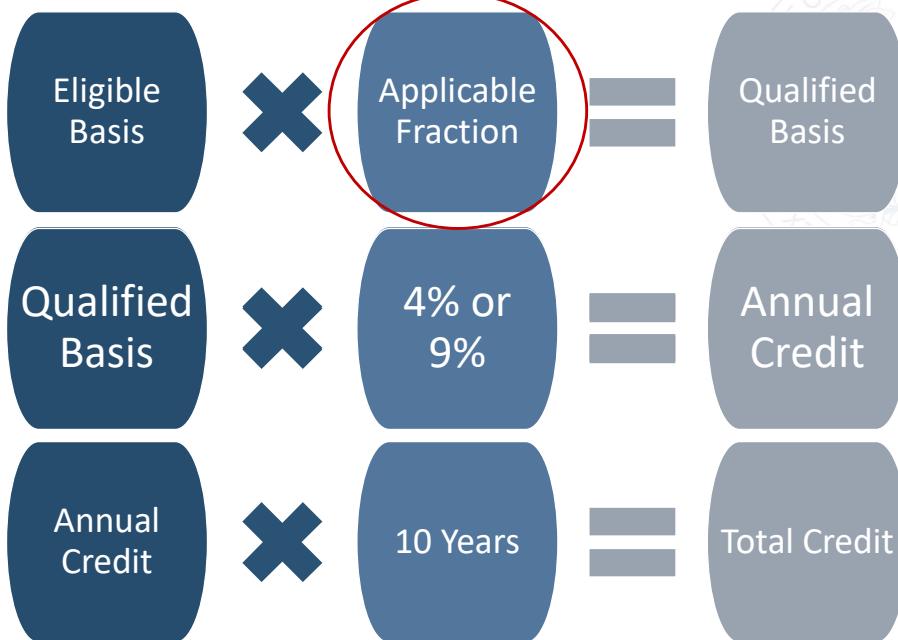
## Applicable Fraction



67

67

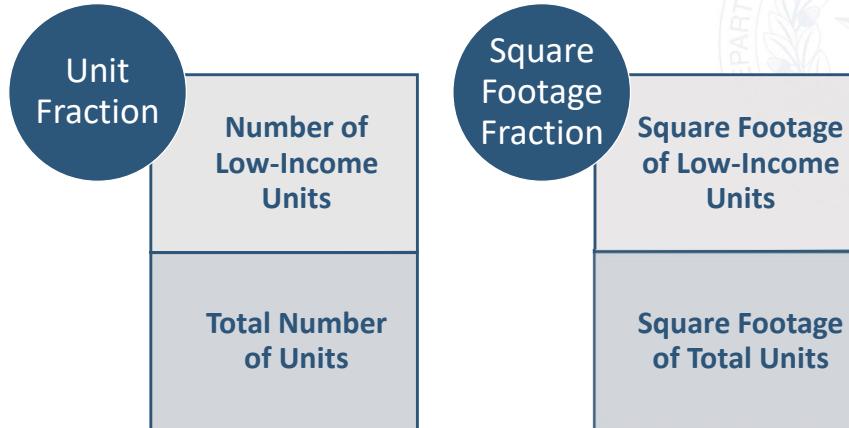
## Applicable Fraction to Determine Qualified Basis



68

68

## How to Calculate Applicable Fraction



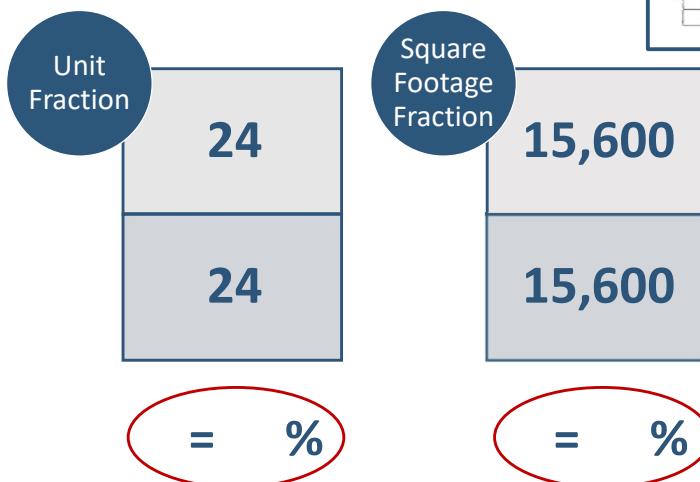
69

69

## Applicable Fraction: 100% HTC

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:**  $24 \times 650 \text{ sq. feet} = 15,600 \text{ total}$   
**Building 2:**  $25 \times 800 \text{ sq. feet} = 20,000$  and  
 $29 \times 1,000 \text{ sq. feet} = 29,000$   
 $20,000 + 29,000 = 49,000 \text{ total}$

70

70

## Applicable Fraction: 100% HTC with an Exempt Unit

Unit Fraction

53

Square Footage Fraction

48,000

53

48,000

= %

= %

ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)	MINIMUM APPLICABLE FRACTION
1.	TX-23-20801	100%
2.	TX-23-20802	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  
 $29 \times 1,000 \text{ sq. feet} = 29,000$   
 $20,000 + 29,000 = 49,000 \text{ total}$

Maintenance Supervisor lives onsite in a 3-bedroom unit

71

71

## Applicable Fraction: Mixed Income – Unit Fraction

Unit Fraction

24

Square Footage Fraction

18,424

25

19,124

= %

= %

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	81.68%

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

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

72

72

## Applicable Fraction: Mixed Income – Square Footage

Unit Fraction

28

34

= %

Square Footage Fraction

20,818

25,424

= %

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	44,546

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

73

73

## Applicable Fraction: Mixed Income with Exempt Unit

Unit Fraction

24

25

= %

Square Footage Fraction

18,424

19,124

= %

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	44,546

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

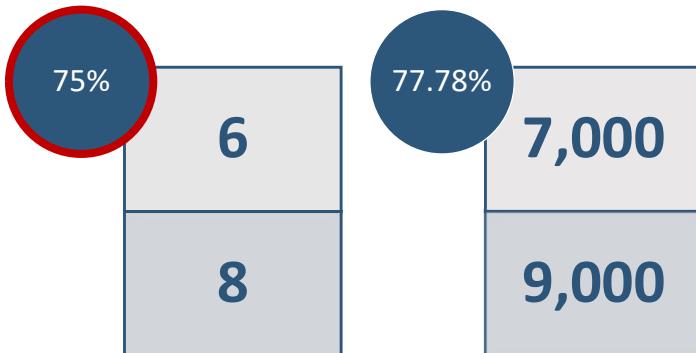
The Manager and Maintenance Supervisor live onsite, both in 2-bedrooms at 903 sq. feet

Building 2: 20,818 HTC sq. feet & 25,424 total

74

74

## Applicable Fraction: Building 5



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%

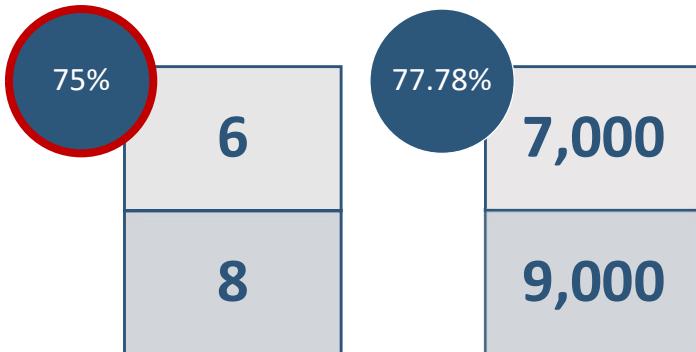
4-Bedroom units are 1,500 sq. feet and 3-Bedroom units are 1,000 sq. feet

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

75

75

## Applicable Fraction: Building 5 with an Over Income Unit



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%

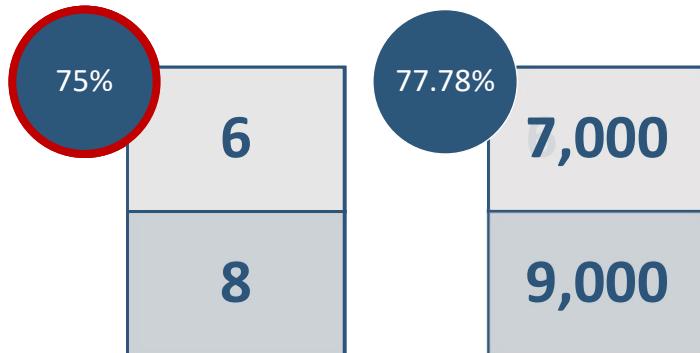
4-Bedroom units are 1,500 sq. feet and 3-Bedroom units are 1,000 sq. feet

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	37/03/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	512	10/26/2023		Beatle	\$ 52,575.00	\$ 1,500.00	\$ 327.00	4	10/28/2025	Income LIHTC: 50 Rent LIHTC: 50
TX0020604	5	513	06/06/2025		Stone	\$ 44,320.00	\$ 1,199.00	\$ 287.00	3	36/06/2025	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	3/29/2025	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	14/03/2025	Income LIHTC: Market Rent LIHTC: Market

76

76

## Applicable Fraction: Building 5 with an Over Income Unit



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	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

77

77

## Module 3

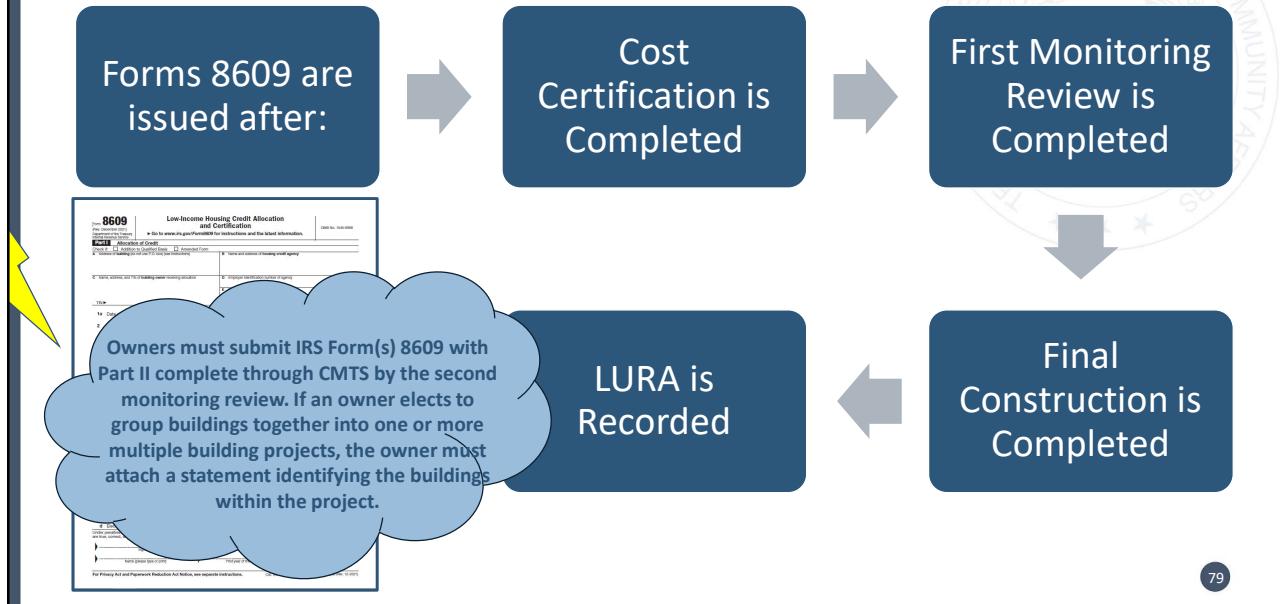
Form 8609: Low-Income Housing Credit Allocation and Certification



78

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## Form 8609: When are they issued?



79

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

<b>Low-Income Housing Credit Allocation and Certification</b>		OMB No. 1545-0988
► Go to <a href="http://www.irs.gov/Form8609">www.irs.gov/Form8609</a> for instructions and the latest information.		
<b>Part I Allocation of Credit</b>		
Form 8609 (Rev. December 2021) Department of the Treasury Internal Revenue Service		
Check if <input type="checkbox"/> Addition to Qualified Basis <input type="checkbox"/> Amended Form		
<b>A Address of building (do not use P.O. box) (see instructions)</b>		
<b>The Development</b> 301 E Austin St Austin, TX 78721		
<b>C Name, address, and TIN of building owner receiving allocation</b>		
<b>Extraordinary Owner Person</b> 3130 Beauregard Ave Austin, TX 78725 7F-016590		
<b>TX-24-21801</b>		
1a Date of allocation ► <b>12/16/2024</b>		
b Maximum housing credit dollar amount allowable . . . . .		
c Maximum qualified basis percentage allowable (see instructions) . . . . .		
3a Maximum qualified basis .		
b Check here <input type="checkbox"/> 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)		
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-) . . . . .		
5a Date building placed in service . . . . . <span style="float: right;">► <b>12/17/2025</b></span>		
b Check here <input type="checkbox"/> 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 <input type="checkbox"/> Newly constructed and federally subsidized <input type="checkbox"/> Newly constructed and not federally subsidized c <input type="checkbox"/> Existing building		
d <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures not federally subsidized		
f <input type="checkbox"/> Allocation subject to nonprofit set-asides under sec. 42(h)(5)		
<b>Signature of Authorized Housing Credit Agency Official</b> — 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		<b>for example purposes only - not real forms</b> Name (please type or print)

80

## 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

81

81

## Forms 8609: Part I – Credit Percentage; 9%

8609		Low-Income Housing Credit Allocation and Certification		OMB No. 1545-0988
Form (Rev. December 2021) Department of the Treasury Internal Revenue Service				
► Go to <a href="http://www.irs.gov/Form8609">www.irs.gov/Form8609</a> for instructions and the latest information.				
<b>Part I Allocation of Credit</b>				
Check if: <input type="checkbox"/> Addition to Qualified Basis <input type="checkbox"/> Amended Form A. Address of building (do not use P.O. box) (see instructions)		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		1b Maximum housing credit dollar amount allowable 274,327		
2 Maximum applicable credit percentage allowable (see instructions)		2 9.00%		
3a Maximum qualified basis b Check here ► <input type="checkbox"/> 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)		3a 2,740,327 3b 1 3 0 % 4 0.00%		
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-)				
5a Date building placed in service . . . . . ► 12/17/2025				
b Check here ► <input type="checkbox"/> 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 <input type="checkbox"/> Newly constructed and federally subsidized b <input checked="" type="checkbox"/> Newly constructed and not federally subsidized c <input type="checkbox"/> Existing building d <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures not federally subsidized f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)				
<b>Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only</b> 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

## 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 ► <input type="checkbox"/> 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 ► <input type="checkbox"/> 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 <input type="checkbox"/> Newly constructed and federally subsidized b <input checked="" type="checkbox"/> Newly constructed and <b>not</b> federally subsidized c <input type="checkbox"/> Existing building			
d <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized			
f <input checked="" type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)			

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

<b>8609</b> Form (Rev. December 2021) Department of the Treasury Internal Revenue Service	<b>Low-Income Housing Credit Allocation and Certification</b> ► Go to <a href="http://www.irs.gov/Form8609">www.irs.gov/Form8609</a> for instructions and the latest information.	OMB No. 1545-0988
<b>Part I Allocation of Credit</b>		
Check if: <input type="checkbox"/> Addition to Qualified Basis <input type="checkbox"/> Amended Form	B Name and address of housing credit agency	
A Address of building (do not use P.O. box) (see instructions)	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	D Employer identification number of agency  74-2610542	
TIN ► 75-0165960	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 ► <input type="checkbox"/> 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 ► <input type="checkbox"/> 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 <input type="checkbox"/> Newly constructed and federally subsidized b <input checked="" type="checkbox"/> Newly constructed and <b>not</b> federally subsidized c <input type="checkbox"/> Existing building		
d <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures <b>not</b> federally subsidized		
f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)		
<b>Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only</b>		
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	Date

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## 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

85

85

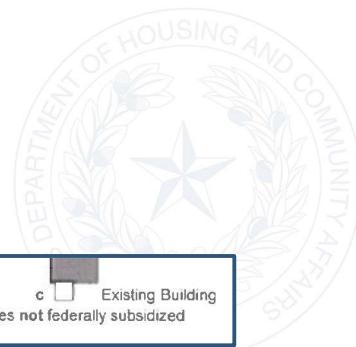
## Forms 8609: Part I – Building Type: New or Existing

8609		Low-Income Housing Credit Allocation and Certification		OMB No. 1545-0988
Form (Rev. December 2021) Department of the Treasury Internal Revenue Service		► Go to <a href="http://www.irs.gov/Form8609">www.irs.gov/Form8609</a> for instructions and the latest information.		
<b>Part I Allocation of Credit</b>				
Check if: <input type="checkbox"/> Addition to Qualified Basis <input type="checkbox"/> Amended Form		B Name and address of housing credit agency		
A Address of building (do not use P.O. box) (see instructions)  The Development 301 E Austin St Austin, TX 78721		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		1b Maximum housing credit dollar amount allowable . . . . . <b>274,327</b>		
2 Maximum applicable credit percentage allowable (see instructions) . . . . .		2 <b>9.00%</b>		
3a Maximum qualified basis . . . . .		3a <b>2,740,327</b>		
b Check here ► <input type="checkbox"/> 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 <b>3</b> 0 %		
4 Percentage of the aggregate basis financed by tax-exempt bonds. (If zero, enter -0-) . . . . .		4 <b>0.00%</b>		
5a Date building placed in service . . . . . ► 12/17/2025				
b Check here ► <input type="checkbox"/> 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 <input type="checkbox"/> Newly constructed and federally subsidized b <input checked="" type="checkbox"/> Newly constructed and not federally subsidized c <input type="checkbox"/> Existing building d <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures federally subsidized e <input type="checkbox"/> Sec. 42(e) rehabilitation expenditures not federally subsidized f <input type="checkbox"/> Allocation subject to nonprofit set-aside under sec. 42(h)(5)				
<b>Signature of Authorized Housing Credit Agency Official</b> ► Completed by Housing Credit Agency Only <small>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.</small>				
Signature of authorized official		for example purposes only - not real forms		Date

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## Forms 8609: Part I – Nonprofit Set-Aside



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

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## Forms 8609: Part II – Eligible Basis

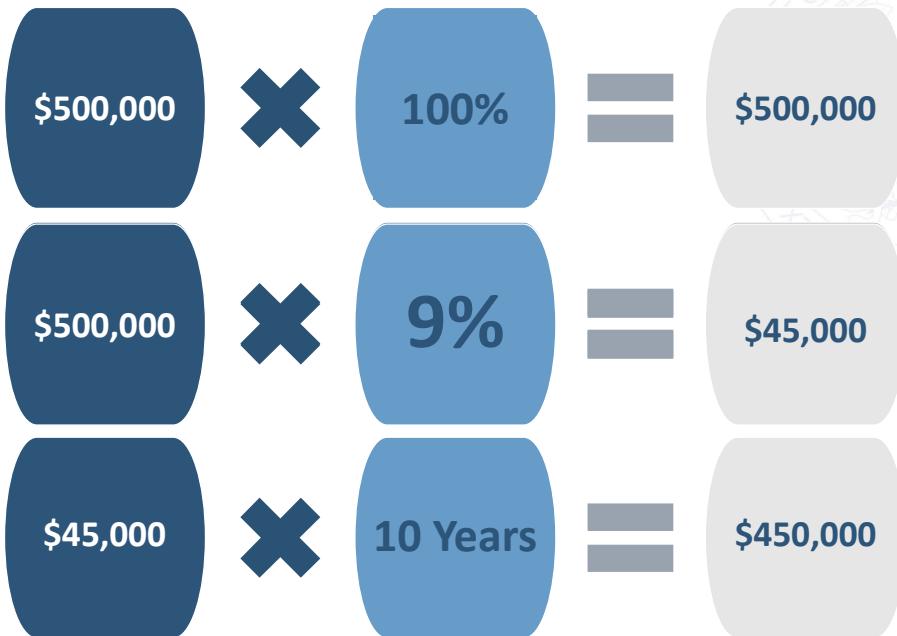


<b>Part II First-Year Certification</b> —Completed by Building Owners with respect to the First Year of the Credit Period		
7 Eligible basis of building (see instructions)	7	2,470,327
8a Original qualified basis of the building at close of first year of credit period	8a	2,470,327
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(l)(2)(B)?	<input type="checkbox"/> Yes	<input type="checkbox"/> 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)? ►	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
10 Check the appropriate box for each election.		
<b>Caution:</b> 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)) ►	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
b Elect <b>not</b> to treat large partnership as taxpayer (section 42(l)(5)) ►	<input type="checkbox"/> Yes	
c Elect minimum set-aside requirement (section 42(g)) (see instructions):		
<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)		
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions) . . . . .	<input type="checkbox"/> 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	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)

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## Eligible Basis in the Calculation of Credit



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## 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 <input type="text" value="2,470,327"/>
8a	Original qualified basis of the building at close of first year of credit period	8a <input type="text" value="2,470,327"/>
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9a If box 8a or box 8d is checked, do you elect to reduce eligible basis under section 42(f)(2)(B)? 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)?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
10 Check the appropriate box for each election: <b>Caution:</b> 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)) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b Elect <b>not</b> to treat large partnership as taxpayer (section 42(f)(5)) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
c Elect minimum set-aside requirement (section 42(g)) (see instructions): <input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only) <input type="checkbox"/> 15-40		
d Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Under penalties of perjury, I declare that I have e true, correct, and complete.		
 <b>For example purposes only • not real form</b> Name (please type or print)		

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

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

<b>Part II First-Year Certification</b> —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)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																			
9a If box 8a or box 8d is checked, do you elect to reduce eligible basis under section 42(f)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																			
10 Check the appropriate box for each election.																				
<b>Caution:</b> Once made, the following elections are irrevocable.																				
a Elect to begin credit period the first year after the building is placed in service	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																			
b Elect not to treat large partnership as taxpayer (section 42(f)(5))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																			
c Elect minimum set-aside requirement (section 42(g)) (see instructions)	<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income																			
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 documents and they are true, correct, and complete.																				
► Signature ► Taxpayer identification number ► Date																				
<b>For example purposes only • not real forms</b> Name (please type or print) First year of the credit period																				
<b>For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.</b>																				
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.																				
<table border="1"> <thead> <tr> <th>BIN</th> <th>Address</th> <th>Maximum Credit Allowable</th> </tr> </thead> <tbody> <tr> <td>TX-24-21801</td> <td>301 E. Austin Street, Austin, TX 78721</td> <td>\$ 274,327.00</td> </tr> <tr> <td>TX-24-21802</td> <td>301 E. Austin Street, Austin, TX 78721</td> <td>\$ 274,327.00</td> </tr> <tr> <td>TX-24-21803</td> <td>301 E. Austin Street, Austin, TX 78721</td> <td>\$ 274,327.00</td> </tr> <tr> <td>TX-24-21804</td> <td>301 E. Austin Street, Austin, TX 78721</td> <td>\$ 274,327.00</td> </tr> <tr> <td colspan="2"></td> <td>Total Credit \$1,097,308.00</td> </tr> </tbody> </table>			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
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																		

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## Forms 8609: Part II – Credit Period

<b>Part II First-Year Certification</b> —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)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
9a If box 8a or box 8d is checked, do you elect to reduce eligible basis under section 42(f)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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(f)(3)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10 Check the appropriate box for each election.		
<b>Caution:</b> 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))	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
b Elect not to treat large partnership as taxpayer (section 42(f)(5))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
c Elect minimum set-aside requirement (section 42(g)) (see instructions)	<input type="checkbox"/> 20-50 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income	
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 documents and they are true, correct, and complete.		
► Signature ► Taxpayer identification number ► Date		
<b>For example purposes only • not real forms</b> Name (please type or print) First year of the credit period		
<b>For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.</b>		
Cat. No. 63981U Form 8609 (Rev. 12-2021)		

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## 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 <b>2,470,327</b>
8a Original qualified basis of the building at close of first year of credit period . . . . .	8a <b>2,470,327</b>
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? . . . . .	
9a If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(f)(2)(B)? . . . . .	
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)? . . . . .	
10 Check the appropriate box for each election.	
<b>Caution:</b> 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)) . . . . .	
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 <input checked="" type="checkbox"/> 40-60 <input type="checkbox"/> Average income <input type="checkbox"/> 25-60 (N.Y.C. only)	
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 **75-0165960** Date \_\_\_\_\_

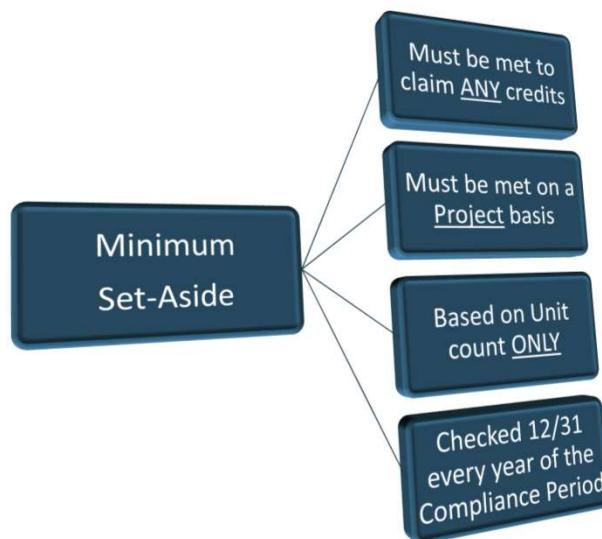
For example purposes only • not real forms  
Name (please type or print) \_\_\_\_\_ First year of the credit period **2026**

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

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## Minimum Set-Aside



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## Minimum Set-Aside

20/50

20% of the units in the Project must be occupied by households with an income AND rent at, or below, 50% AMI

40/60

40% of the units in the Project must be occupied by households with an income AND rent at, or below, 60% AMI

Average Income

40% of the units within the Project are both income and rent restricted and average at, or below, 60% AMI

95

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## Minimum Set-Aside: 20/50 Election

### Form 8609 Elections:

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

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) . . . . .

b Elect **not** to treat large partnership as taxpayer (section 42(j)(5)) . . . . .

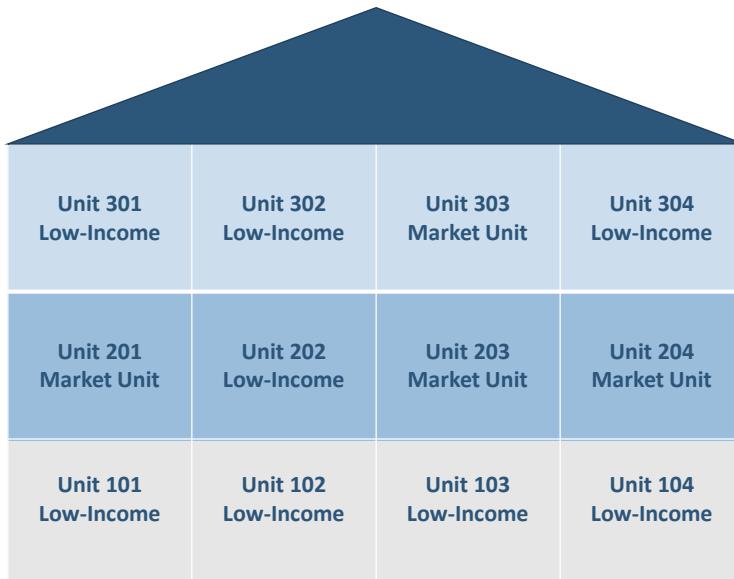
c Elect minimum set-aside requirement (section 42(g)) (see instructions):

20-50  40-60  Average income  25-60 (N.Y.C. only)

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## Minimum Set-Aside: 20/50 Election



**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)**

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

**Form 8609 Elections:**

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

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 42a)  
 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  25-60 (N.Y.C. only)

	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

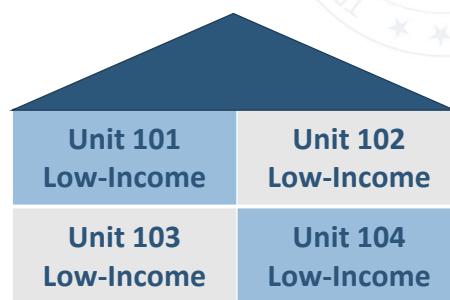
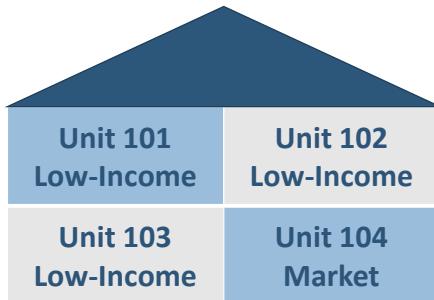
98

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

**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)**

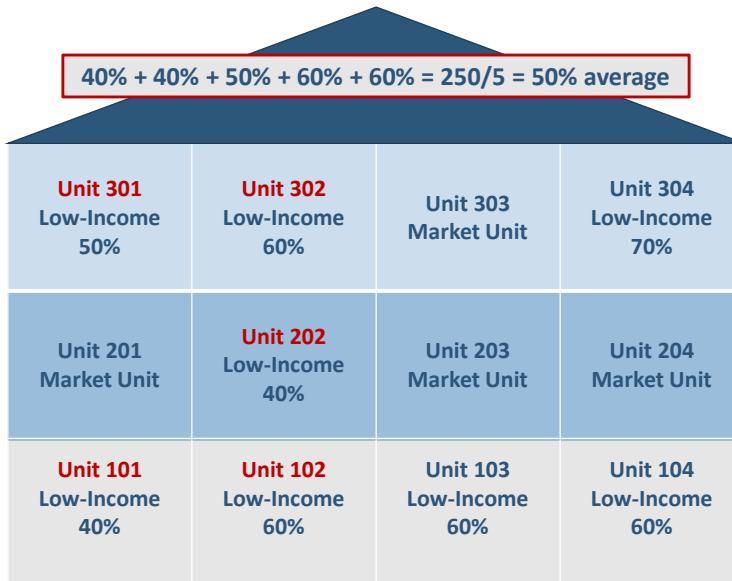


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99

## Minimum Set-Aside: Average Income – Learning Point 1

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



**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.**

100

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## Minimum Set-Aside: Average Income - Learning Point 2

$60\% + 60\% + 70\% + 50\% + 70\% = 310/5 = 62\% \text{ average}$			
<b>Unit 301</b> Low-Income 60%	<b>Unit 302</b> Low-Income 60%	Unit 303 Market Unit	<b>Unit 304</b> Low-Income 70%
Unit 201 Market Unit	<b>Unit 202</b> Low-Income 50%	Unit 203 Market Unit	Unit 204 Market Unit
<b>Unit 101</b> Low-Income 70%	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

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 above 60%, the set-aside requirement has not been met.

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## Minimum Set-Aside: Average Income - Learning Point 3

$60\% + 60\% + 70\% + 50\% + 60\% = 300/5 = 60\% \text{ average}$			
<b>Unit 301</b> Low-Income 60%	<b>Unit 302</b> Low-Income 60%	Unit 303 Market Unit	<b>Unit 304</b> Low-Income 70%
Unit 201 Market Unit	<b>Unit 202</b> Low-Income 50%	Unit 203 Market Unit	Unit 204 Market Unit
<b>Unit 101</b> 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.

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

$$60\% + 60\% + 70\% + 50\% + 60\% + 80\% + 80\% + 80\% = \\ 540/8 = 67.5\% \text{ average}$$

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

### 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 meet the 60% Average.

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## Module 4

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



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## 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

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## Income and Rent Limits: HUD Report

**OFFICE OF POLICY DEVELOPMENT AND RESEARCH (P&R)**

**INCOME LIMITS**

Dataset/Income Limits

HUD's Office of Policy Development interface (API). With this API, developers can create an account and get an access token.

The Department of Housing and Urban Development, based on Section 8 Housing Choice Voucher Program, Median Family Income estimates and Fair Market Rent area definitions.

FY 2024 Ceiling Methodology Change FAQs

2025 2024 2023 2022 2021 Year ▾

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 (ILs) for any area of the country selected by the user. Official ILs, available in pdf and excel formats at this link, may differ slightly from those calculated in the documentation system, and should be used for ALL official purposes.

**Click Here for FY 2025 IL Documentation**

**FY 2025 INCOME LIMITS DOCUMENTATION SYSTEM**

First select a state: Then select a county:

Alabama - AL Anderson County, TX  
Alaska - AK Angelina County, TX  
Arizona - AZ Aransas County, TX  
Arkansas - AR Armstrong County, TX  
California - CA Atascosa County, TX  
Colorado - CO Atoka County, OK  
Connecticut - CT Armstrong County, TX  
Delaware - DE Atoka County, TX  
Florida - FL Atoka County, TX  
Georgia - GA Atoka County, TX  
Hawaii - HI Atoka County, TX  
Idaho - ID Atoka County, TX  
Illinois - IL Atoka County, TX  
Indiana - IN Atoka County, TX  
Iowa - IA Atoka County, TX  
Kansas - KS Atoka County, TX  
Kentucky - KY Atoka County, TX  
Louisiana - LA Atoka County, TX  
Maine - ME Atoka County, TX  
Maryland - MD Atoka County, TX  
Massachusetts - MA Atoka County, TX  
Michigan - MI Atoka County, TX  
Minnesota - MN Atoka County, TX  
Mississippi - MS Atoka County, TX  
Missouri - MO Atoka County, TX  
Montana - MT Atoka County, TX  
Nebraska - NE Atoka County, TX  
Nevada - NV Atoka County, TX  
New Hampshire - NH Atoka County, TX  
New Jersey - NJ Atoka County, TX  
New Mexico - NM Atoka County, TX  
New York - NY Atoka County, TX  
North Carolina - NC Atoka County, TX  
North Dakota - ND Atoka County, TX  
Ohio - OH Atoka County, TX  
Oklahoma - OK Atoka County, TX  
Oregon - OR Atoka County, TX  
Pennsylvania - PA Atoka County, TX  
Rhode Island - RI Atoka County, TX  
South Carolina - SC Atoka County, TX  
South Dakota - SD Atoka County, TX  
Tennessee - TN Atoka County, TX  
Texas - TX Atoka County, TX  
Utah - UT Atoka County, TX  
Vermont - VT Atoka County, TX  
Virginia - VA Atoka County, TX  
Washington - WA Atoka County, TX  
West Virginia - WV Atoka County, TX  
Wisconsin - WI Atoka County, TX  
Wyoming - WY Atoka County, TX

Choose a County

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

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

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Texas Department of Housing and Community Affairs Programs Services Agency Information Board Help for Texans Manufactured Housing

### Income and Rent Limits

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 Infographic
- Tenant Handout: Income and Rent Limits English (PDF) [Spanish \(PDF\)](#)
- Tenant Handout: Income and Rent Limits English (PDF) [Spanish \(PDF\)](#) (circled)
- 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

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- Archived Income and Rent Limits
- Instructions on How To Use the Department Income and Rent Tool

#### Housing Tax Credit, Tax Exempt Bond, HOME, Neighborhood Stabilization, Housing Trust Fund rental development programs and the Section 811 PRA program

- Income and Rent Tool (circled)
- 2024 811 PRA Income Limits
- 2025 811 PRA Income Limits

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

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## 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 effective 06/01/2025. The 2025 National Housing Trust Fund income and rent limits are effective 06/01/2025. The 2025 renewals after 06/01/2025. The 2025 National Housing Trust Fund income and rent limits are effective 06/01/2025.

County: ANDERSON Financing: [View](#) Place: Not Selected Project PIS Date: Before 12/31/2028 Carryover/Determination Notice/Subaward Agreement date: Before 12/31/2028 For Home and NSP Only: On or Before 05/31/2025 Submit

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	6	7
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>

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## 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	85660	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	85660	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**

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

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## Income and Rent Limits: Project PIS Date – Multiple Buildings

<p>8a Original qualified basis of the building at close of first year of credit period . . . . .</p>	<p><b>8a</b> <input type="text" value="500,000"/></p>
b Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)? . . . . .	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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

<p>5a Date building placed in service . . . . .</p>	<p>► <b>1/15/2020</b></p>
b Check here ► <input type="checkbox"/> 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).	

<p>5a Date building placed in service . . . . .</p>	<p>► <b>4/15/2020</b></p>
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## 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

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## Income and Rent Limits: Learning Point 2

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

- A True
- B False

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## 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

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## 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	\$ -	

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

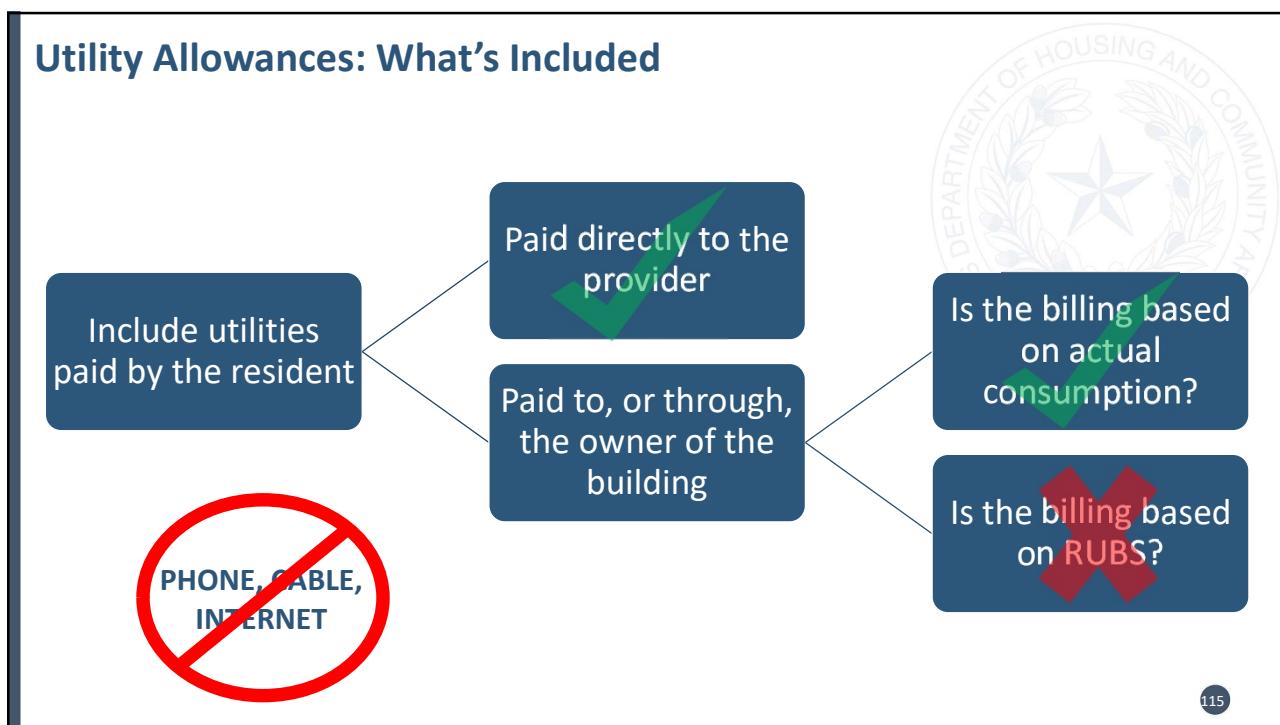
Once a property is underwritten with a Utility Allowance, that UA is allowed to be used until the building reaches 90% occupied for a period of 90 days, the end of the first year of the Credit Period, or the Owner requests a change from the underwritten UA.

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

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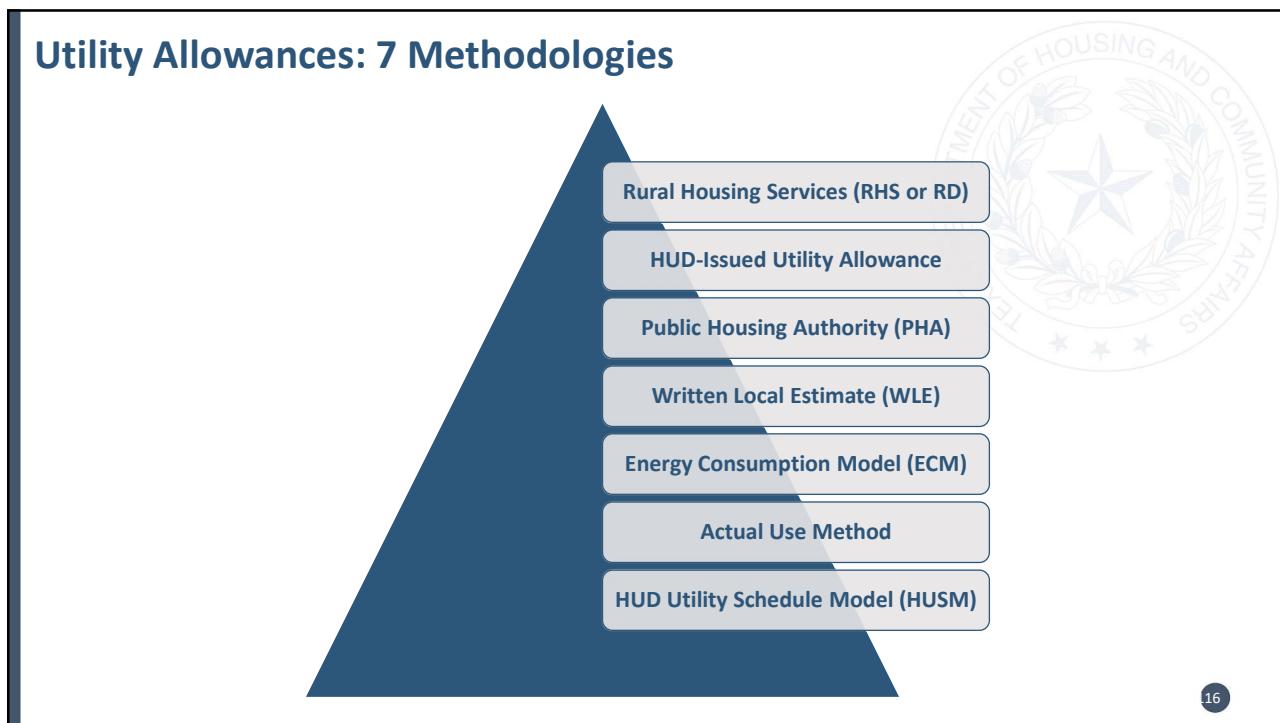
## Utility Allowances: What's Included



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## Utility Allowances: 7 Methodologies



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## Utility Allowances: USDA Rural Housing



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

Section 515 Direct Loan Program

RHS Assisted Buildings

Section 521 Rural Rental Assistance (RA)

Section 516 Off Farm Labor Housing Loans and Grants

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## 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 specific decision is being appealed and should include, if possible, a copy of the proposed budget.

You must copy of utility a

EFFECTIVE DATE OF RENT			UTILITY ALLOWANCE: 01/01/2025								
Type	Size	HC	Rev	Unit Description		Utility Types					Total Allow
				Unit		Elect	Gas	Sewer	Trash	Water	
N	1	Y				101	0	0	0	0	101
N	2	All				124	0	0	0	0	124
N	1	All				101	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

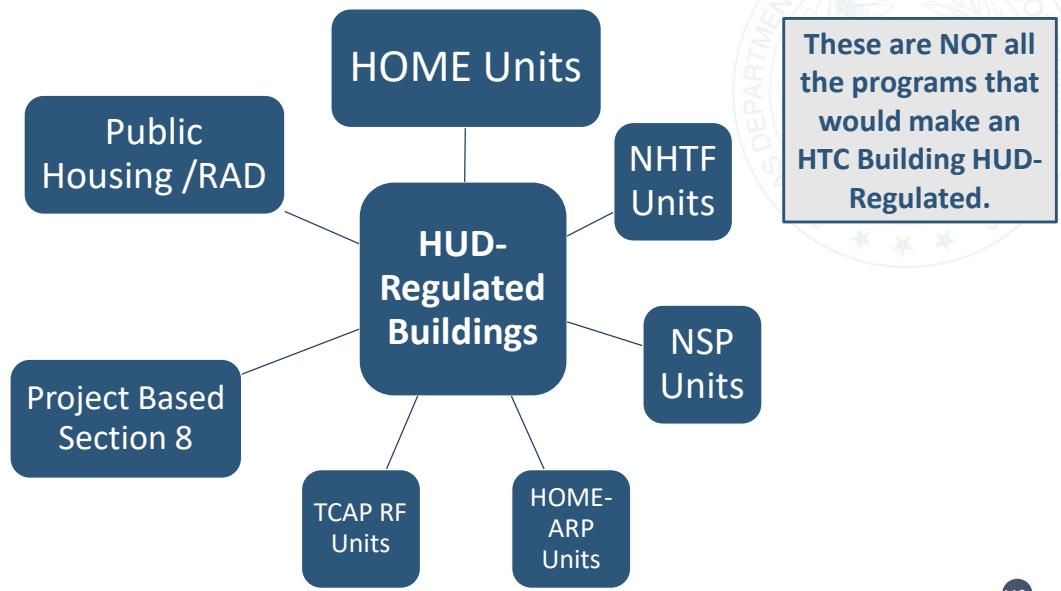
Annual Review: As required by RHS

Approval: From RHS

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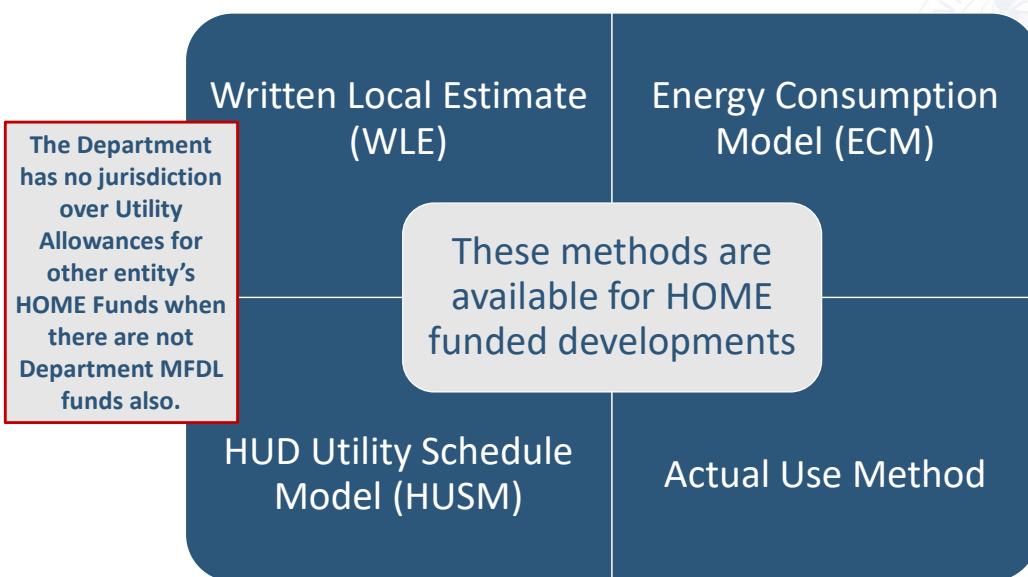
## Utility Allowances: HUD-Regulated Buildings



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## Utility Allowances: HOME Funds from the Department



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## Utility Allowances: Department Issued MFDL Funds

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

Greg Abbott  
Governor

October 8, 2025

Chris [REDACTED]  
Dallas, TX  
Chris [REDACTED]

RE: [REDACTED]

CMTS ID: [REDACTED]

Dear Chris [REDACTED],

The Texas Department of Housing and Community Affairs (the Department) has calculated the utility allowance using the HUD Utility Schedule Model in accordance with TAC §10.614(g)(3) and HOME Final Rule as a result of the Department's Multi-Family Direct Loan (MFDL) program. This allowance is calculated to reflect the utility allowances that are available for all non-rent-restricted units, and that the Developer is required to calculate the utility allowance under HUD Multi-Family Notice H-2015.

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 Development. If there are any errors, please contact the Department with the correct information. The allowance 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 avoid any non-compliance. The Department will review the implementation of the allowance by the Department will during the next monitoring review, and failure to implement timely will result in non-compliance.

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

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

Sincerely,  
[Signature]  
Digitally signed  
by Cara Polci  
11/06/18 05:00'  
Cara Polci  
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

February 25, 2025

Brad [REDACTED]  
Texas

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 Development is 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 this 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 non-compliance.

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 Department.

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

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## 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

September 29, 2025

Executive [REDACTED]  
Austin, TX  
Executive [REDACTED]

RE: [REDACTED]

CMTS ID: [REDACTED]

Dear Executive [REDACTED],

The Texas Department of Housing and Community Affairs (the 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).

In accordance with Treasury Regulation 51.42-10(b)(3)(i), if neither a building is reviewed by HUD on an annual basis (HUD-Regulated building), the applicable utility allowance for all non-rent-restricted units in the building is the same as the utility allowance. The utility allowance is calculated on a building by building basis and, as every building in the development is not HUD-Regulated, the utility allowance is the same for all non-rent-restricted units in the building.

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 implement timely will result in non-compliance.

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 effect 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 Polci at (512) 475-3821 or via email: cara.polci@tdhca.texas.gov.

Sincerely,  
[Signature]  
Digitally signed  
by Cara Polci  
best-be-beat  
Cara Polci  
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: [REDACTED] - Utility Allowance  
Date: Monday, October 27, 2025 10:39:12 AM  
Attachments: Image002.jpg  
2024 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.

Executive Director of Community Development  
City of Killeen  
Phone: 254-524-1234  
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

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## 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 Date: **June 1, 2025**  
By Department: **Neighborhood & Housing**  
Street Address: **123 Main Street**  
City, State Zip: **San Antonio, TX 78201**  
Prepared by: **John Doe**  
Date prepared: **July 10, 2025**

The City of San Antonio approves the following utility allowance estimates and maximum rents for HOME assisted units in **123 Main Street**.

Unit Size	Low HOME	High HOME	Low HOME	Approved	High HOME	Approved
0 bedroom	\$244.00	\$1,080.00			\$1,158.00	Yes
1 bedroom	\$244.00	\$1,080.00	\$206.00	Yes	\$1,158.00	Yes
2 bedroom	\$1,087.00	\$2,392.00	\$1,087.00	Yes	\$1,392.00	Yes
3 bedroom	\$1,254.00	\$2,599.00	\$1,254.00	Yes	\$1,254.00	Yes
4 bedroom	\$1,540.00	\$3,096.00	\$1,401.00	Yes	\$1,764.00	Yes
5 bedroom	\$1,640.00	\$3,296.00				
6 bedroom	\$1,640.00	\$3,296.00				

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
0 bedroom	Electric
1 bedroom	Water
2 bedroom	Water
3 bedroom	Gas
4 bedroom	Gas
5 bedroom	Gas
6 bedroom	Gas

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.

Approved by: **John Doe** for **Quality Assurance Manager**

Date: **July 25, 2025**

<https://tbody.hsdnkr.com/huma/case.html>  
<https://tbody.hsdnkr.com/programs/home/home-case.html>

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

Greg Abbott  
Governor

Brian Mays  
Lee Velaquez, Chair  
Kerry Marcell, Vice Chair  
City County Member  
Allen Hargrove, Member  
Natalie Harmer, Member  
Aly Thomas, Member

June 20, 2025

Writer's direct phone # (512) 477-0208  
Email: andrea.holmes@tdhca.texas.gov

Seth [REDACTED]  
[REDACTED] NY  
Cmtsupdated: [REDACTED]

RE: [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] to [REDACTED] to calculate the utility allowance using the Energy Consumption Model method described in 10TAC §10.514(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 none of a building nor any tenant in the building receives RHS assistance, the utility allowance for the building and its residents are relieved by the amount of the basic (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 information provided in the application. The utility allowance is calculated on a building basis, the utilities are not paid to or through the owner of the building based on an allocation formula, the Rents; 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

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## Utility Allowances: HUD Rent Schedule

### HUD Project Based Program:

**Rent Schedule  
Low Rent Housing**

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

Project Name: **TX512** FNA Project Number: **115** 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-rent-producing Units)	Col. 2 Number of Units	Contract Rents		Col. 5 Utility Allowances (Col. 2 x Col. 3)	Col. 6 Market Rents (Sec. 236 Projects Only) (Col. 2 x Col. 7)
		Col. 3 Rent Per Unit	Col. 4 Contract Rent Potential (Col. 2 x Col. 3)	Col. 5 (Effective Date) 8/1/2025	Col. 6 Gross Rent (Col. 3 + Col. 5)
1 BR	18	\$1,013	\$18,234	\$126	\$1,139
2 BR	44	\$1,134	\$49,895	\$161	\$1,295
3 BR	26	\$1,256	\$32,916	\$225	\$1,481
Total Units	88	Monthly Contract Rent Potential (Add Col. 4)*		Monthly Market Rent Potential (Add Col. 6)*	

Effective Date:  
Indicated on the  
Rent Schedule

Posting: As  
required by the  
HUD Program

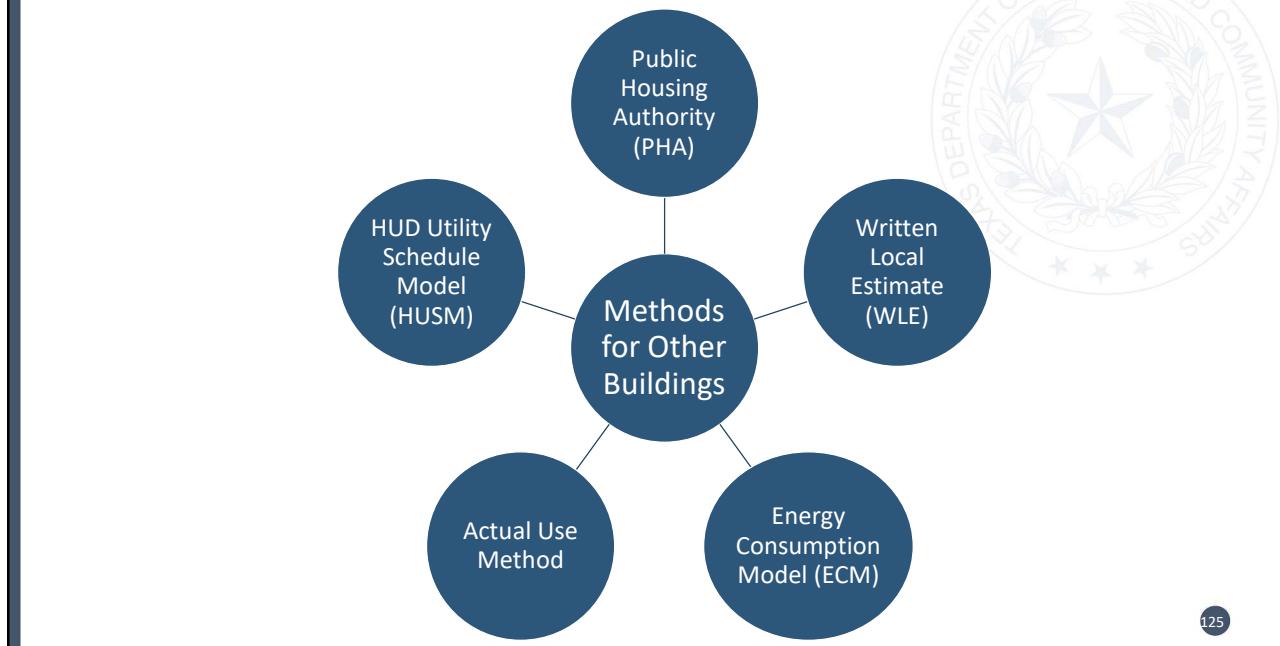
Annual Review: As  
required by the  
HUD Program

Approval: From  
HUD

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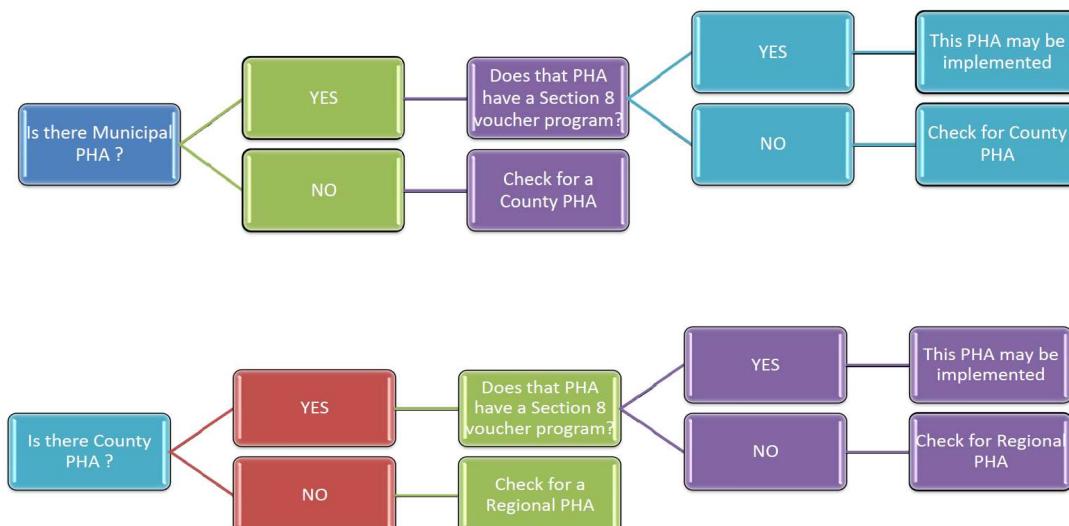
124

## Utility Allowances: Other Buildings



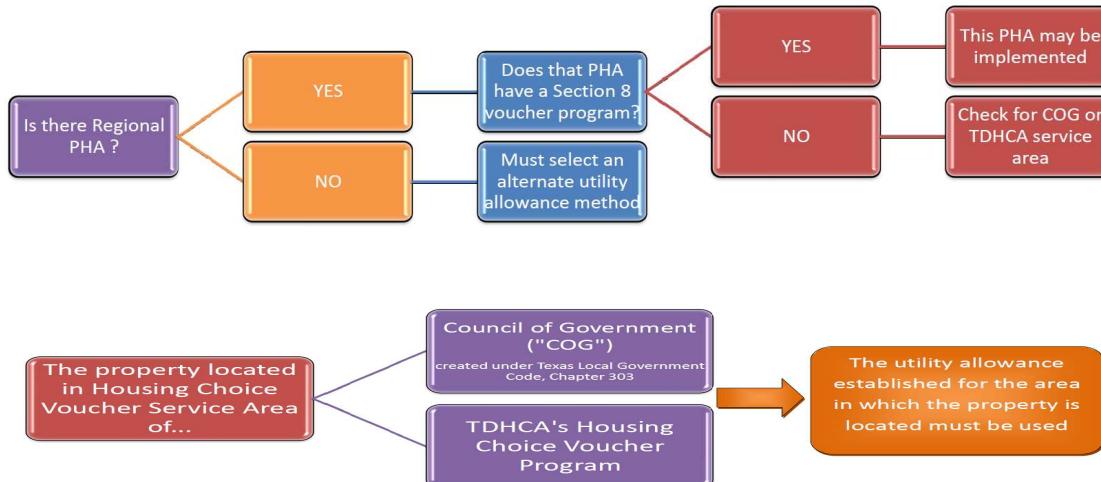
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## Utility Allowances: PHA Methodology – City and County



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## Utility Allowances: PHA Methodology – Regional, COG or TDHCA



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## 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									
Effective Date											
Locality/Location Housing Authority Address, if applicable for add'l. benefits, if applicable for add'l.		UNIT TYPE: APARTMENTS (5 OR MORE UNITS PER BUILDING)									
		1/1/2025									
Monthly Dollar Allowances											
Utility or Service		DBR	1BR	2BR	3BR	4BR	5BR	6BR	7BR	8BR	
Heating		a. Natural Gas	\$8	\$9	\$10	\$11	\$12	\$12	\$13	\$14	
		b. Bottled Gas									
		c. Electric	\$12	\$14	\$16	\$19	\$21	\$24	\$26	\$28	
		d. Coal/Other									
<b>City of Houston</b>											
d. Coal/Other											
Water		\$56	\$57	\$48	\$60	\$71	\$83	\$91	\$98	\$106	
Sewer		\$55	\$55	\$71	\$86	\$102	\$118	\$128	\$139	\$149	
Trash Collection											
Refuse/Miscellaneous (if tenant occupies)		\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11	
Other - Monthly Electric Fee		\$15	\$35	\$16	\$15	\$15	\$15	\$15	\$15	\$15	
Other - Monthly Gas Fee		\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23	
Actual Family Allowances - May be used by the family to compute allowances depending on the number of bedrooms in the unit.											
Name of Family & Entity ID		Per Month Cost									
Address of Unit		Per Month Cost									
Smaller of bedroom or voucher		Per Month Cost									
		0									
		Other (Electric Fee)									
		Other (Gas Fee)									
		Total									
\$0											

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## Utility Allowances: PHA Method – Different Building Types

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

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## Utility Allowances: PHA Schedule

Allowance for Tenant-Furnished Utilities and Other Services		U.S. Department of Housing and Urban Development					OMB Approval No. 2577-0169 (exp. 4/30/2026)	
See Public Reporting Statement and Instructions on back								
Locality		Unit Type		Date (mm/dd/yyyy)				
DALLAS HOUSING AUTHORITY		APT / CONDO / TOWNHOUSE		06/01/2025				
Utility or Service		Monthly Dollar Allowances						
		(BR)	1BR	1BR	3BR	4BR	5BR	
Heating		a. Natural Gas	\$40	\$45	\$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	\$35	\$46	\$59	\$72	\$83	
Air Conditioning		\$30	\$35	\$50	\$64	\$78	\$82	
Water Heating		a. Natural Gas	\$2	\$5	\$10	\$17	\$22	\$26
		b. Bottle Gas	-	-	-	-	-	-
		c. Oil / Electric	\$17	\$20	\$26	\$31	\$36	\$41
		d. Coal/Other	-	-	-	-	-	-
Water		\$25	\$38	\$53	\$110	\$180	\$250	
Sewer		\$43	\$47	\$74	\$115	\$156	\$197	
Trash Collection		\$35	\$35	\$36	\$38	\$38	\$38	
Range (if tenant supplied)		\$15	\$15	\$15	\$15	\$15	\$15	
Appliance (if tenant supplied)		\$12	\$12	\$12	\$12	\$12	\$12	
Other – Miscellaneous (if tenant supplied)		-	-	-	-	-	-	
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								
Address of Unit								
Number of Bedrooms								
Previous editions are obsolete								
Page 1 of 1								
								Form HUD-52867 (04/15)
								Ref. Handbook 7420.3

Effective Date:  
Within 90 days

Posting: Not Required

Annual Review:  
When PHA publishes

Approval: Not required



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## Utility Allowances: Written Local Estimate

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

Greg Abbott  
Governor

Board Members:  
Lee Veneczel, Chair  
Kerry Marchant, Vice Chair  
Cindi Gerney, Member  
Amita Maria Farjas, Member  
Hollie Harper, Member  
Aja Thomas, Member

November 17, 2025

Writer's direct phone # (512)475-3822  
Email: care.polin@tdhca.texas.gov

Jeff [REDACTED] LP  
[REDACTED] TX  
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)(5)(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 will be implemented until the estimate is submitted to the Department, or until the notice to the residents is posted by the provider 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 will 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 

  
September 15, 2025  
Hines [REDACTED]  
College Station, TX 77845

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 above noted property located within the service area of College Station Utilities (CSU):

Electric - Utility Allowances	1 HR	2 HR
<b>TOTAL</b>	\$ 70.00	\$ 84.80

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 electric (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,  
  
City Manager

City Manager's Office  
P.O. BOX 5960 • 1101 YATES AVENUE • COLLEGE STATION • TEXAS • 77842  
TEL: 979.744.3510 • FAX: 979.764.0377  
city.texas.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

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## Utility Allowances: Energy Consumption Model

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

Greg Abbott  
Governor

Board Members:  
Lee Veneczel, Chair  
Kerry Marchant, Vice Chair  
Cindi Gerney, Member  
Amita Maria Farjas, Member  
Hollie Harper, Member  
Aja Thomas, Member

November 14, 2025

Writer's direct phone # (512) 475-4201  
Email: care.consumption@tdhca.texas.gov

Jeff [REDACTED] LLC  
[REDACTED] CA  
RE: [REDACTED]  
CMTS ID: [REDACTED]

Dear Jeff [REDACTED]

The Texas Department of Housing and Community Affairs (Department) has received the request submitted on October 31, 2025, by [REDACTED] to implement the utility allowance using the Energy Consumption Model method described in 10 TAC §10.614(c)(5)(D).

Your request is hereby denied. This approval is based on the representation that the development is financed exclusively 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, utility allowance for those units occupied by Section 8 voucher holders remain the applicable Public Housing Authority utility allowance established from where the resident receives the subsidy.

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 

  
October 31, 2025  
[REDACTED]  
RE: Utility Allowance Estimate

To Whom It May Concern:

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

Electric Utility Allowances	1 HR	2 HR
<b>TOTAL ALLOWANCES ROUNDED UP</b>	\$ 68.00	\$ 84.80

NOTES:

1. The above utility allowances were produced using an engineer approved Energy Consumption Model.
2. The model has been calculated by a property licensed engineer who is 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 the Power to Choose a website located at [www.powerschoice.org](http://www.powerschoice.org) and the following information:  
  - a. Estimate include electric costs for heating, cooling, and air conditioning; electric water heating; all monthly components.
  - b. Estimate include electric costs for heating, cooling, and air conditioning; electric water heating; all monthly components.
4. The Energy Consumption Model used for this property includes the following items:  
  - a. Property location
  - b. Utility provider
  - c. Unit square footage
  - d. Unit type based on number of bedrooms
  - e. Location based on number of bedrooms
  - f. Building type
  - g. Construction materials
  - h. Utility provider
  - i. Type size of HVAC, appliances and water heater
  - j. HVAC SEER, SEER2 rating
  - k. Heating Degree Days
  - l. Cooling Degree Days

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

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## Utility Allowances: HUD Utility Schedule Model

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

Greg Abbott  
Governor

October 2, 2025

Writer's direct phone # (512) [REDACTED]  
Email: andrew.erschd@tdhca.texas.gov

RE: [REDACTED] CMTS ID: [REDACTED]  
Dear [REDACTED]

The Texas Department of Housing and Community Affairs (Department) has received the request submitted on September 29, 2025, for the attached utility allowance. The utility allowance is calculated using the Residential Energy 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 §3.42-10, 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 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. Otherwise, the attached utility allowance is 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.

State of Texas  
Kenny Marchant  
Chair  
Anna Maria Farías  
Vice-Chair  
Howard Pugh  
Secretary

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	Single Family Attached Monthly Dollar Allowances		
Utility or Service			0 BR	1 BR	2 BR
Space Heating	Natural Gas				
	Propane Gas				
	Electric Resistance	\$17.46	\$19.80	\$23.20	\$26.61
	Electric Heat Pump				
	Fuel Oil				
Cooking	Natural Gas				
	Propane Gas				
	Electric	\$4.05	\$4.76	\$6.89	\$9.02
	Other				
Other Electric		\$19.33	\$22.74	\$31.84	\$40.54
Air Conditioning		\$10.50	\$12.12	\$20.73	\$29.34
Water Heating	Natural Gas				
	Propane 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
Total Allowance (Rounded Up)		<b>\$63.00</b>	<b>\$74.00</b>	<b>\$101.00</b>	<b>\$127.00</b>
		<b>\$154.00</b>	<b>\$180.03</b>		

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

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## Utility Allowances: Actual Use Method

Unit types are defined in this order: square Footage, Bedroom Size, Number of Bathrooms		
Unit Numbers	Bedrooms	Bathroom
105	1	1
107	1	1
204	1	1
305	1	1
306	1	1

Total Usage	Code
4542	
5819	
10719	
2714	
7549	



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

Greg Abbott  
Governor

September 22, 2025

Boastie Munoz, Chair  
Lori Vassallo, Chair  
Kerry Morris, Member  
Candy Correa, Member  
Anita K. Johnson, Member  
Holland Harper, Member  
Alyse Thomas, Member

Writer's direct phone # (512) 475-3522  
Email: [etax@tdhca.texas.gov](mailto:etax@tdhca.texas.gov)

RE: [REDACTED]  
Dear Manager [REDACTED]

CMTS ID: [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)(9)(E).

Your request is being granted. Your appeal is based on the following representations: (1) that the residents are not fully responsible for electricity, water, and sewer; and that the utilities are not paid to or through the developer 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 22, 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)

222 East 11th Street P.O. Box 13941 Austin, Texas 78711-13941 (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

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## 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 1<sup>st</sup>** 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 1<sup>st</sup>** of each year
- **A utility allowance is considered implemented once the Unit Status Report (USR) is updated and rents are restricted.**

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## 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.

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## 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. \*\*\*

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## 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 MFDC funds) are not allowed to combine methodologies**

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

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## 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.

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## Utility Allowances: How to Submit

Application

- Must be submitted directly to UA-Application@tdhca.texas.gov
- Include the “Utility Allowance Questionnaire for Applications” along with all required back-up based on the methodology

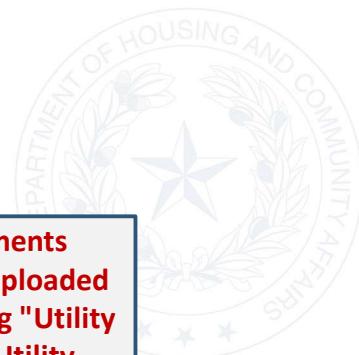
Existing and Established

- Upload directly to the development’s CMTS attachment system; select Utility Allowance as the TDHCA Contact
- Under “Type” for the drop-down box, select Utility Allowance Documents

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## Utility Allowances: How to Submit



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.

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## Utility Allowances: Learning Point 1

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

A True

B False



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## 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**

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## 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**

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## 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

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## 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

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## 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

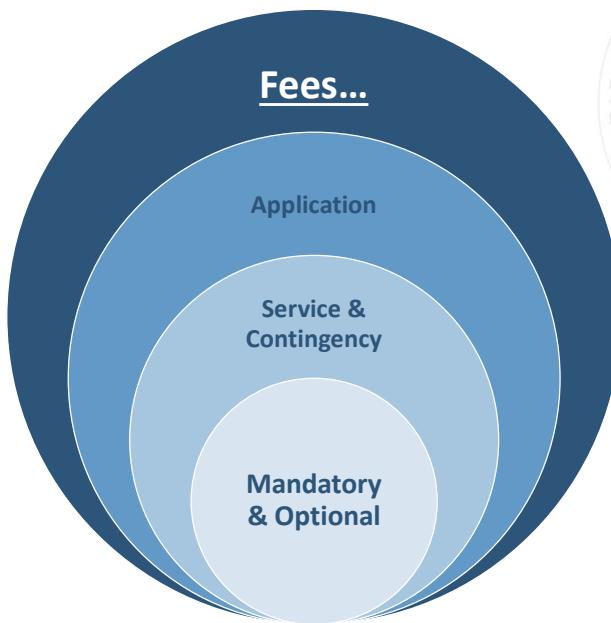
**B**

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

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## Fees



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## 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!

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## 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

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

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)

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## 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 \$1.9000 per Unit	122.00	1.9600	239.12	0.00	19.73	258.85
OneSite Rents v3.0 Monthly Fees; Unit Pricing: 144 Unit(s); Period 10/01/2025 to 10/31/2025 1.00 Qty(s),144 Unit(s),Total = \$0.4300	144.00	0.4300	61.92	0.00	4.09	66.01

OneSite Rents v3.0  
10/23/2025 10:03:47AM

**RESIDENT ACTIVITY**  
10/01/2024 through 09/30/2025

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

**CANCELLED/DENIED**

Name	Status	Bldg/Unit	Cancelled/Denied Date	Cancelled/Denied Reason	Leasing Consultant	Deposits On Hand	Ledger Balance
Jasmine, [REDACTED]	Former applicant	36-3601	11/12/2024	Rejected due to Criminal Background	[REDACTED] Kimberly	0.00	0.00
Isaiah [REDACTED]	Former applicant	36-3601	11/05/2024	Unacceptable Credit	[REDACTED] Kimberly	0.00	0.00
Paula [REDACTED]	Former applicant	36-3601	11/05/2024	Rejected due to lack of Information	[REDACTED] Kimberly	0.00	0.00
Brandon, [REDACTED]	Former applicant	36-3601	12/23/2024	Rejected due to lack of Information	[REDACTED] Kimberly	0.00	0.00
Kristina [REDACTED]	Former applicant	36-3602	03/06/2025	Insufficient Pay History	[REDACTED] Connie	0.00	0.00
Ahmad, [REDACTED]	Former applicant	36-3603	10/22/2024	Poor Rental History	[REDACTED] Connie	0.00	0.00
Shabana [REDACTED]	Former applicant	36-3603	12/19/2024	Poor Rental History	[REDACTED] Connie	0.00	0.00
Natasha [REDACTED]	Former applicant	36-3604					
Trevon, [REDACTED]	Former applicant	36-3604					

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

Page 8 of 8  
120.080.324

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## Fees: Application Fees – Individual Fee

Example 1:

Internal Use

**REAL PAGE** • Outperform

LeasingDesk Resident Screening

January 5, 2024

[REDACTED]  
[REDACTED]  
TX [REDACTED]

Dear [REDACTED]

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 06/10/2020. 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*
<i>Total Price excluding taxes where applicable*</i>	

Very truly yours,

[REDACTED]  
[REDACTED]

Billing Analyst, LeasingDesk Screening

**REAL PAGE**

Example 2:

**REAL PAGE**

**INVOICE**

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

**Access Fees**

Qty	Item Charge	Net Charge	S&H	Tax	Ext Charge
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
4.00	16.8200	75.28	0.00	6.21	81.49

Total 91.94 0.00 7.58 99.20

**Screening AI Enterprise**

08/04/2025 - AprilID 30189  
08/04/2025 - AprilID 30189  
08/17/2025 - AprilID 30191  
08/17/2025 - AprilID 30191

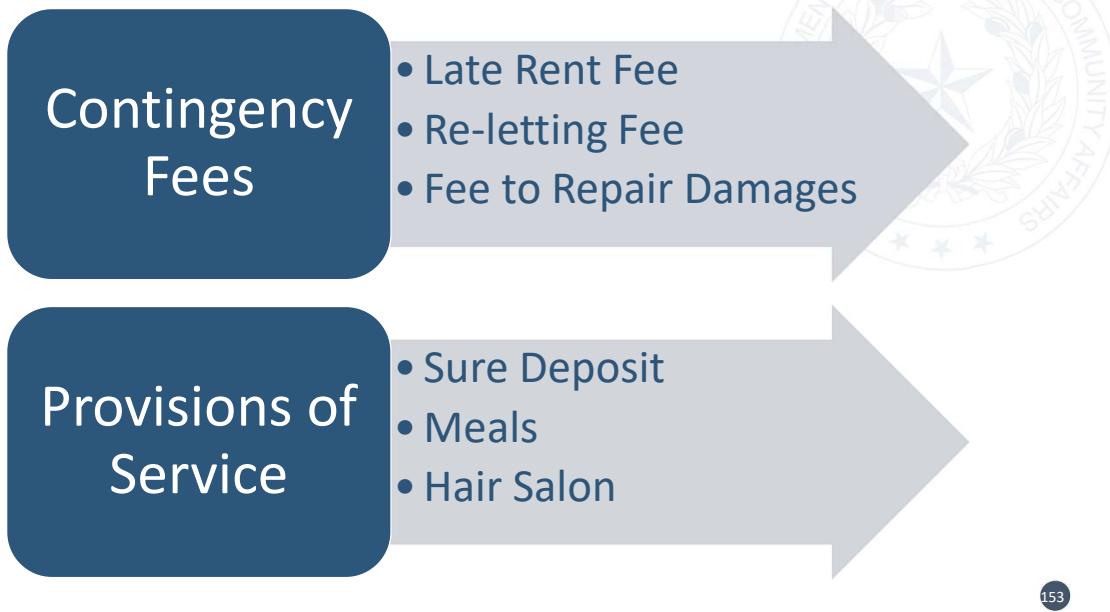
**LeasingDesk Screening Identity Verification**

08/04/2025 - AprilID 30188  
08/04/2025 - AprilID 30188  
08/08/2025 - AprilID 30190  
08/08/2025 - AprilID 30190

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## Fees: Allowable Fees

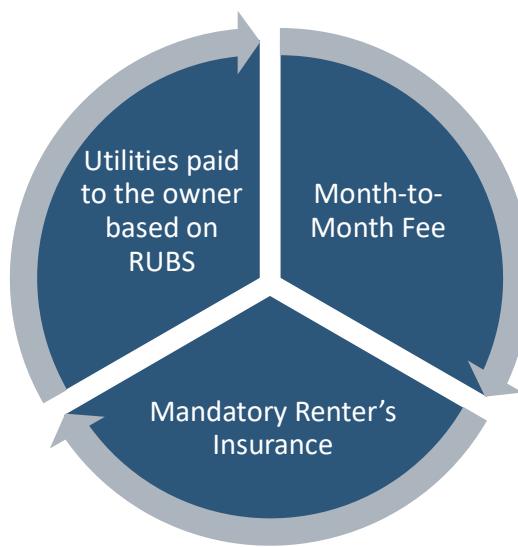


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## Fees: Mandatory Fees

### Mandatory Fees: Fees as a Condition of Occupancy



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## 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

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## 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

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## 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

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## Gross Rent

### Calculating Gross Rent:

Tenant  
Paid Rent



Utility  
Allowance



Mandatory  
Fees

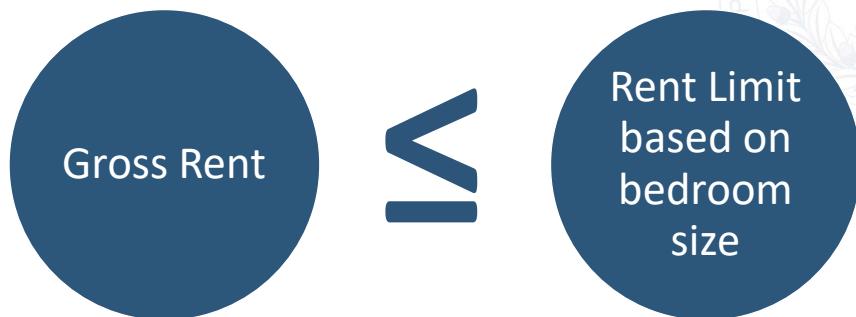


Gross Rent

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## Gross Rent and the Rent Limit



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## 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.

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## 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.

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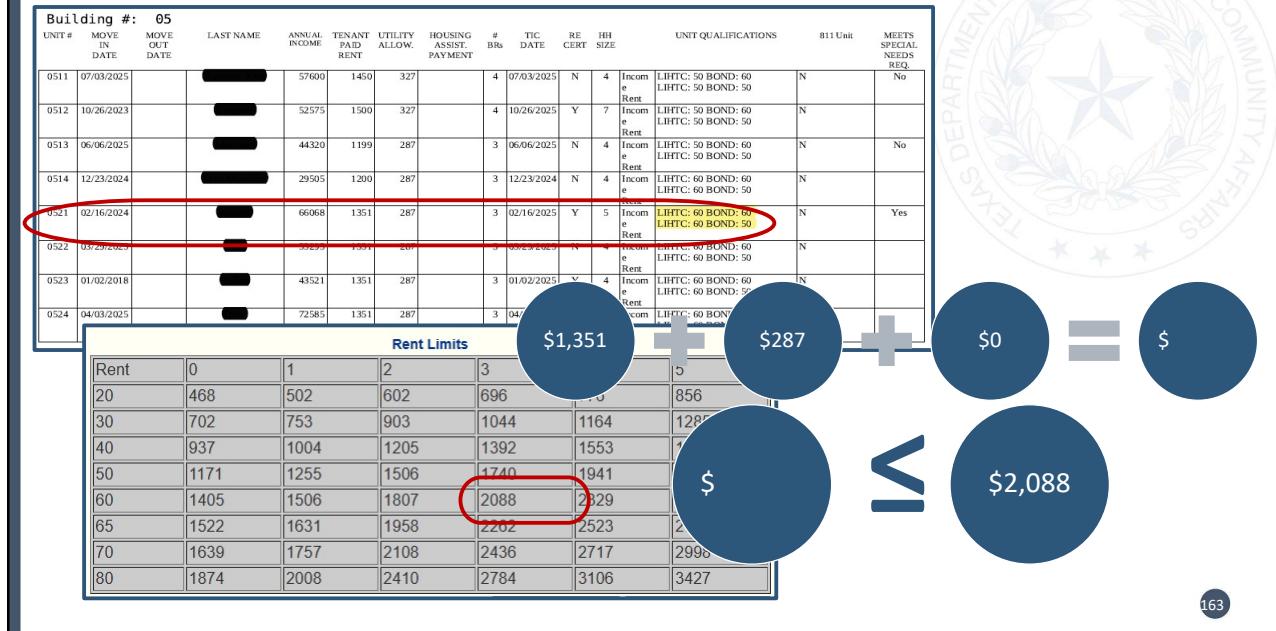
## Gross Rent: Prohibition – No Fee to Pay Rent

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.

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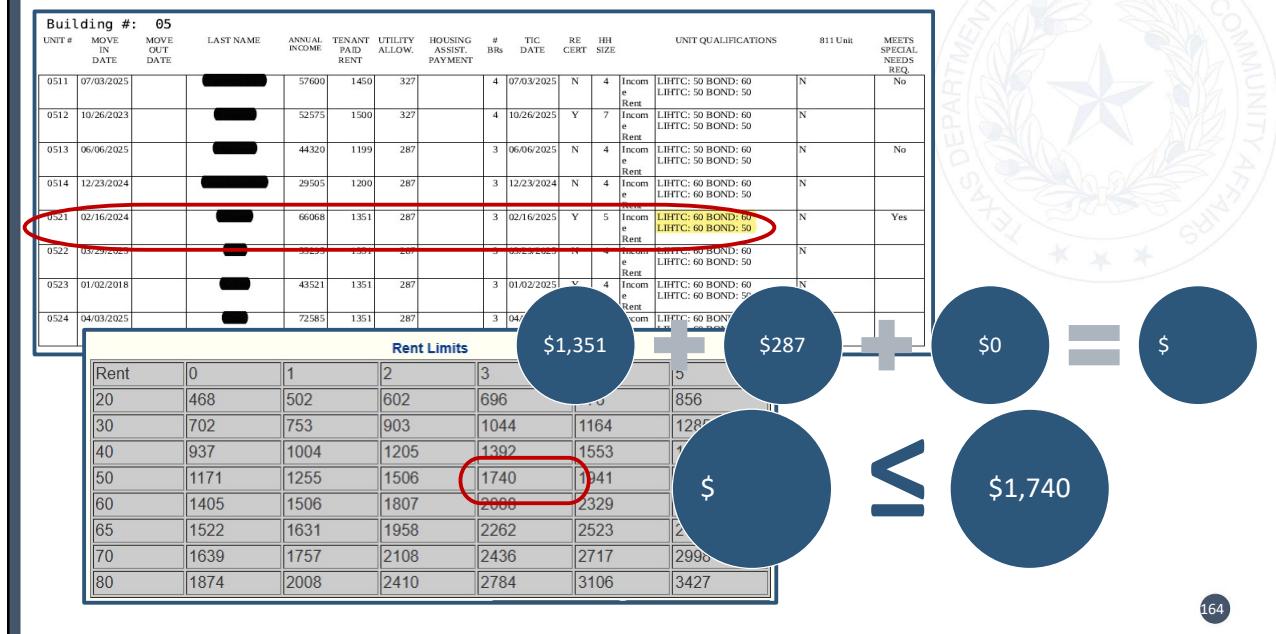
162

## Gross Rent: Testing Example 1



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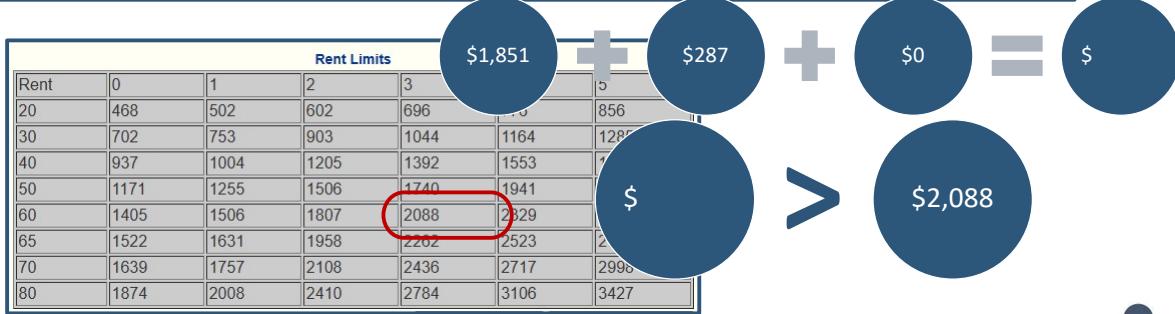
## Gross Rent: Testing Example 1 with BOND



164

## Gross Rent: Testing Example 2

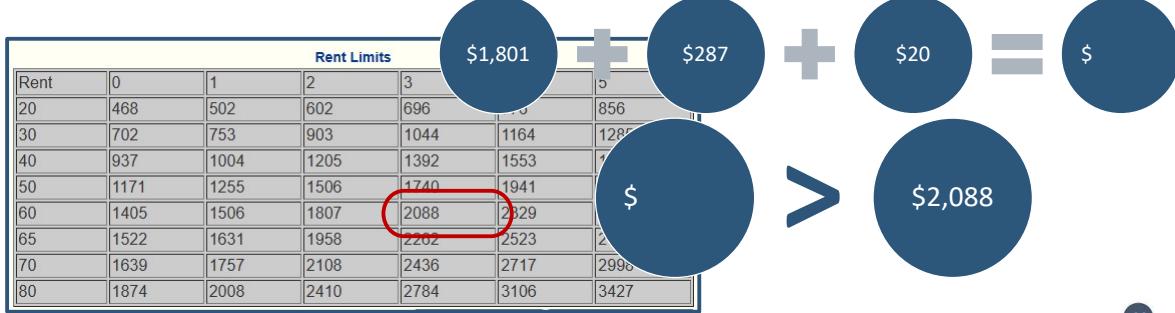
Building #: 06													811 Unit	Meets Special Needs Req.
UNIT #	MOVE IN DATE	MOVE OUT DATE	LAST NAME	ANNUAL INCOME	TENANT PAID RENT	UTILITY ALLOW.	HOUSING ASSIST. PAYMENT	# BRs	TIC DATE	RE CERT	HH SIZE	UNIT QUALIFICATIONS		
0611	04/01/2016		██████████	22835	1351	287		3	04/01/2025	Y	4	Income LIHTC: 50 Rent	██████████	N
0612	06/24/2024		██████████	64951	1851	287		3	06/24/2025	Y	3	Income Rent LIHTC: 60 LIHTC: 60	██████████	N
0621	01/21/2025		██████████	38871	1801	287		3	01/21/2025	N	5	Income Rent LIHTC: 60 LIHTC: 60	██████████	N
0622	09/08/2023		██████████	49036	1351	287		3	09/08/2025	Y	1	Income Rent LIHTC: 60 LIHTC: 60	██████████	N



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## Gross Rent: Testing Example 3

Building #: 06												UNIT QUALIFICATIONS		811 Unit	MEETS SPECIAL NEEDS REQ.
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				
0611	04/01/2016			22835	1351	287		3	04/01/2025	Y	4	Incom e Rent	LIHTC: 50 LIHTC: 50		
0612	06/24/2024			64951	1351	287		3	06/24/2025	Y	3	Incom e Rent	LIHTC: 60 LIHTC: 60		
0621	01/21/2025			38871	1801	287		3	01/21/2025	N	5	Incom e Rent	LIHTC: 60 LIHTC: 60		Yes
0622	09/08/2023			49036	1351	287		3	09/08/2025	Y	1	Incom e Rent	LIHTC: 60 LIHTC: 60		



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## 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	██████████		██████████	25135.2	601	81	873	1	09/01/2025	Y	1	Incom e Rent	LIHTC: 60 LIHTC: 60	N	
2586	02/14/2025		██████████		██████████	29353.2	975	81		1	02/14/2025	N	1	Incom e Rent	LIHTC: 50 LIHTC: 50	N	No
2587	08/18/2022	03/31/2025	██████████		██████████	97094.1 4	1525	81		1	08/18/2025	Y	1	Incom e Rent	LIHTC: Mkt LIHTC: Mkt	N	
2588	01/24/2023		██████████		██████████	13378.8	271	106	1140	2	01/24/2025	Y	1	Incom e Rent	LIHTC: 60 LIHTC: 60	N	No
2589	09/19/2025	08/31/2025			██████████	20764.8	590	71		0	09/19/2025	N	1	Incom e Rent	LIHTC: 30 LIHTC: 30	N	
2591	09/01/2022		██████████		██████████	46078.9 2	1904	106		2	09/01/2024	Y	1	Incom e Rent	LIHTC: 80 LIHTC: 80	N	No

**Rent Limits**

Rent	0	1	2	3	4
20	468	502	602	696	771
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
\$

\$
\$1,255
\$

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## 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	██████████		██████████	25135.2	601	81	873	1	09/01/2025	Y	1	Incom e Rent	LIHTC: 60 LIHTC: 60	N	
2586	02/14/2025		██████████		██████████	29353.2	975	81		1	02/14/2025	N	1	Incom e Rent	LIHTC: 50 LIHTC: 50	N	No
2587	08/18/2022	03/31/2025	██████████		██████████	97094.1 4	1525	81		1	08/18/2025	Y	1	Incom e Rent	LIHTC: Mkt LIHTC: Mkt	N	
2588	01/24/2023		██████████		██████████	13378.8	271	106	1140	2	01/24/2025	Y	1	Incom e Rent	LIHTC: 60 LIHTC: 60	N	No
2589	09/19/2025	08/31/2025			██████████	20764.8	590	71		0	09/19/2025	N	1	Incom e Rent	LIHTC: 30 LIHTC: 30	N	
2591	09/01/2022		██████████		██████████	46078.9 2	1904	106		2	09/01/2024	Y	1	Incom e Rent	LIHTC: 80 LIHTC: 80	N	No

**Rent Limits**

Rent	0	1	2	3	4
20	468	502	602	696	771
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
\$

\$
\$2,008
\$

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## Gross Rent: How to Correct

In accordance with 10 TAC §10.622(a):

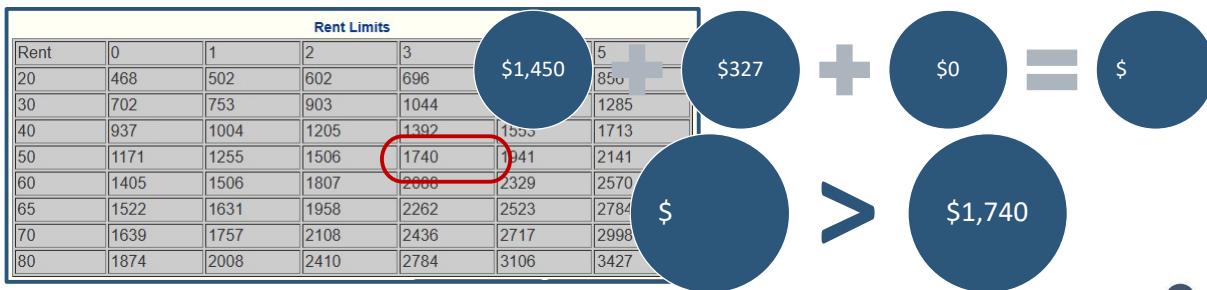
- If it is determined that an HTC Development, during the Compliance Period, collected rent more than the rent limit established by the minimum set-aside, the Owner must correct the violation by reducing the rent charged.
- The Department will report the violation as corrected on January 1st of the year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

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## 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				██████████	57600	1450	327		3	07/03/2025	N	4	Incom e Rent	LIHTC: 50 ██████████	N	No
0512	10/26/2023				██████████	32575	1500	327		4	10/26/2023	Y	7	Incom e Rent	LIHTC: 50 ██████████	N	
0513	06/06/2025				██████████	44320	1199	287		3	06/06/2025	N	4	Incom e Rent	LIHTC: 50 ██████████	N	No
0514	12/23/2024				██████████	29505	1200	287		3	12/23/2024	N	4	Incom e Rent	LIHTC: 60 ██████████	N	



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## 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.
  - Calculate the amount of rent overage paid by the household,
  - Reduce the household's rent and refund/credit the excess amount collected,
  - Update the lease contract and notify the household in writing of the rent reduction, and
  - Submit evidence of the rent overage calculation, a copy of the cancelled check or evidence of the account credit, the updated lease contract and rent ledger to evidence the reduced rent has been implemented.
  - The noncompliance will be considered corrected on the date which the overcharged rent was refunded/credited to the resident and the date that the rent plus the utility allowance is equal to or less than the applicable limit.

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## Additional Rent & Occupancy: Testing Example; How to Correct



**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.**

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## 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

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## 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

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## 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

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## 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

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# Module 5

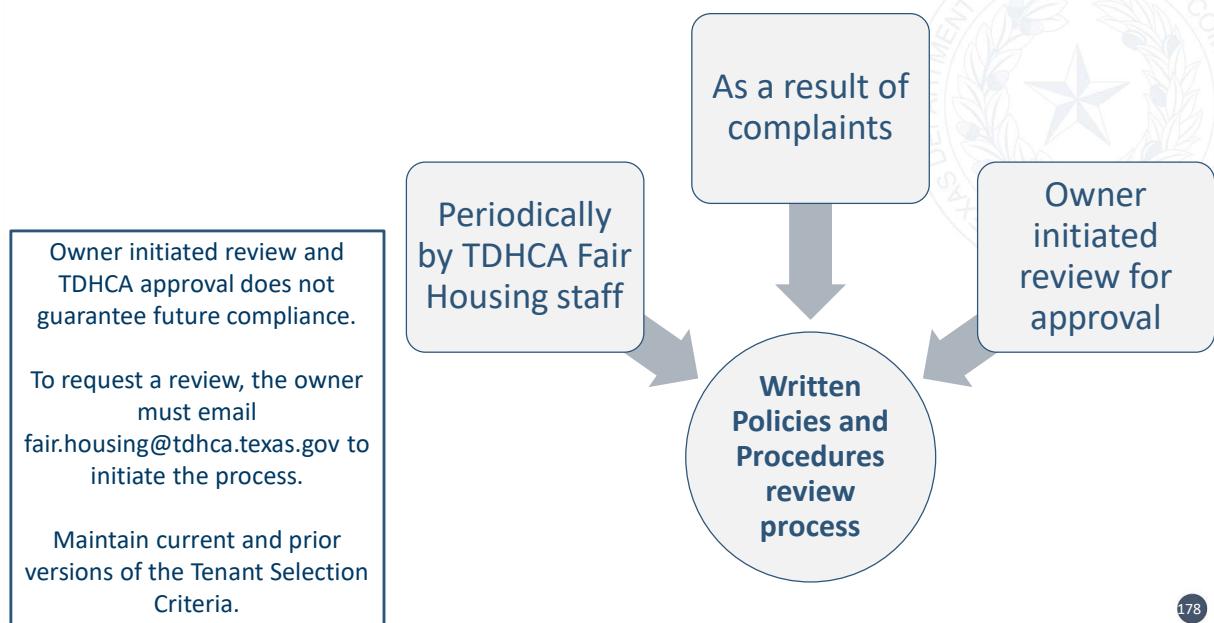
## Maintaining Compliance



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### Compliance: Written Policies and Procedures



178

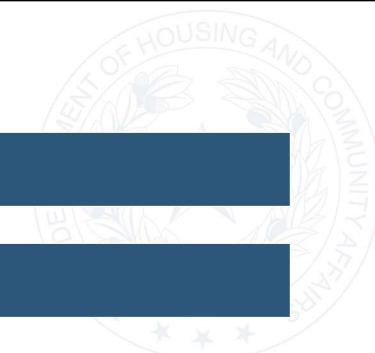
178

## 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

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## Eligibility: Section 8 Verification

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS  
INCOME VERIFICATION FORM FOR TENANT IN SECTION 8 CERTIFICATE

To: \_\_\_\_\_  
Housing \_\_\_\_\_  
Address \_\_\_\_\_  
City, State \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ 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 \$ \_\_\_\_\_.  
(# of members) (Date) (Gross Annual Income)

(Signature) \_\_\_\_\_ (Date) \_\_\_\_\_ (Phone #)  
(Printed Name) \_\_\_\_\_ (Title) \_\_\_\_\_

RENTERS: Please note that this form may be held against you for any infraction of the lease or against the property owner for any infraction of the lease. (S) \_\_\_\_\_

**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.**

180

180

## Eligibility: Students

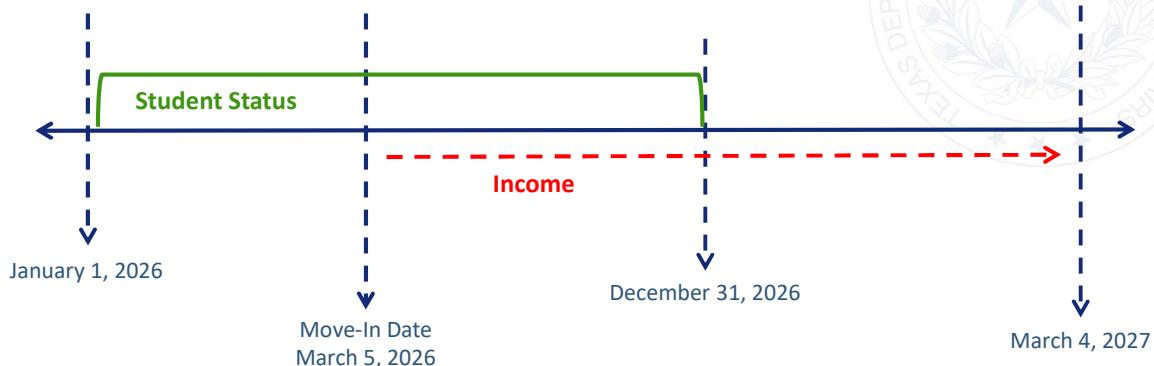
- All household members must be screened for student status:
  - Kindergarten through 12<sup>th</sup> grade
  - Higher Education
- Full-Time (FT) Status
  - As defined by the educational institution
  - 5 calendar months, months enrolled do not have to be consecutive



181

181

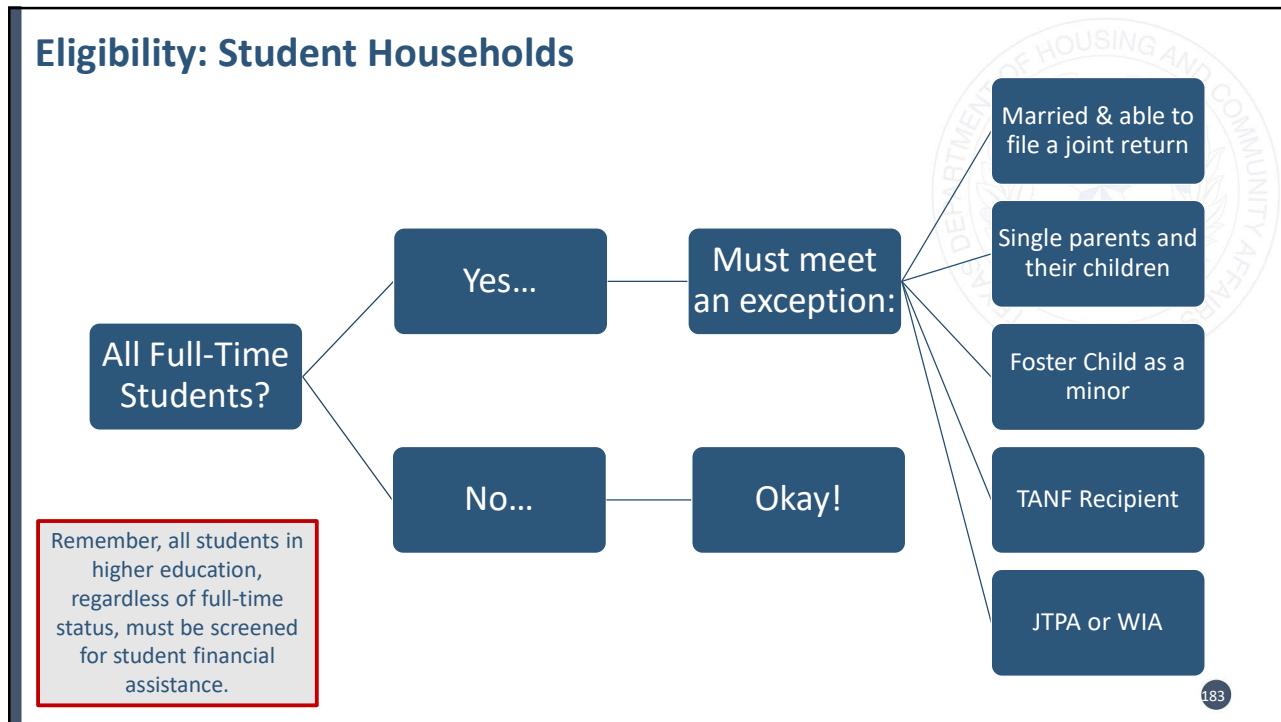
## Student Status Screening vs. Income Screening



182

182

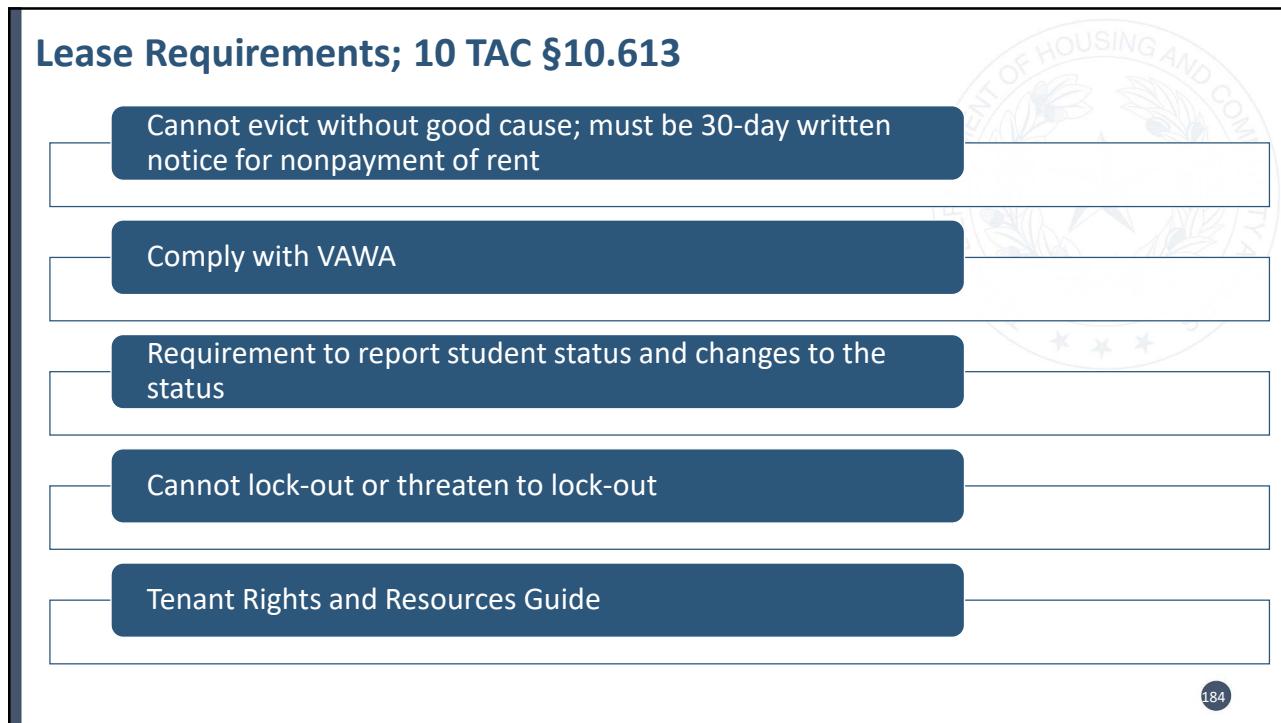
## Eligibility: Student Households



183

183

## Lease Requirements; 10 TAC §10.613



184

184

## 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

185

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## Annual Data Collection vs. Annual Income Certification

### Annual Data Collection

### Annual Eligibility Certification

Number of household members & their age

Ethnicity, Race & Disability Status

Student Status

Rental Assistance, if any

### Annual Income Certification

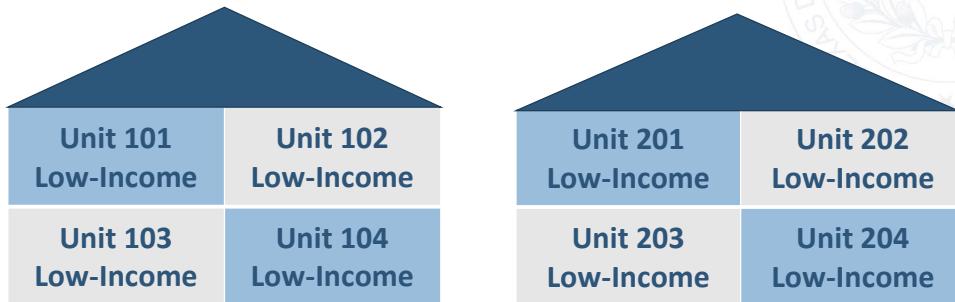
Full annual Income Certifications collect the required data

186

186

## Project Elections and Annual Requirements: 100% Low-Income

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

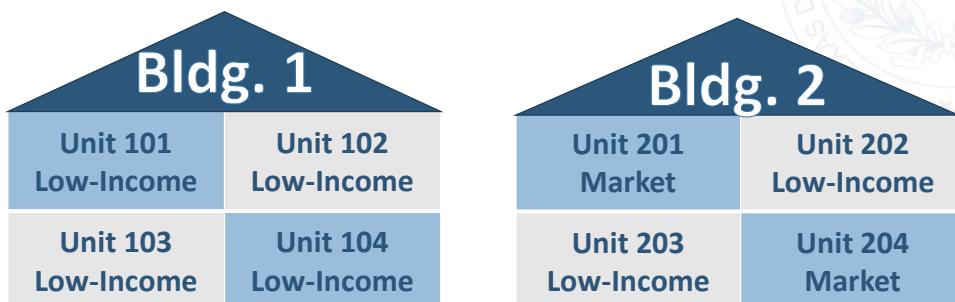


187

187

## 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

188

188

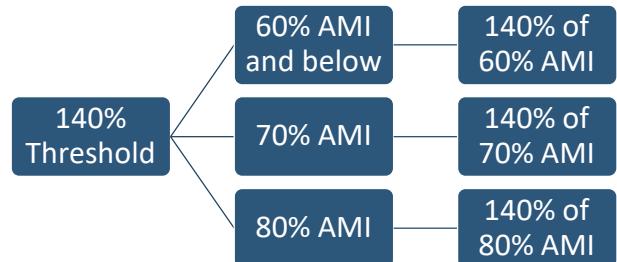
## Available Unit Rule (AUR)

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

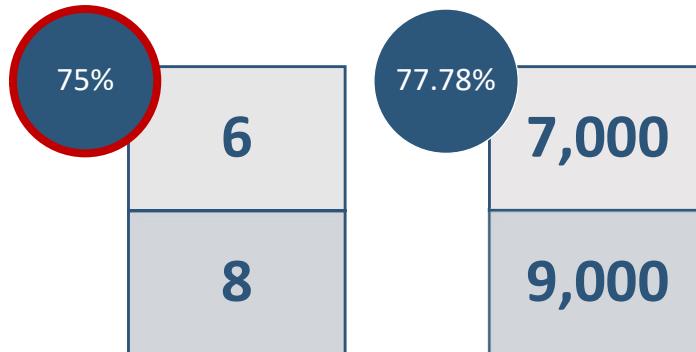
The Available Unit Rule (AUR) is a building rule.



189

189

## Next Available Unit Rule: Building 5



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

190

190

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

62.5%

5

8

66.67%

6,000

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	TIC DATE	UNIT QUALIFICATIONS
TX0020604	5	511	07/03/2025		Abba	\$57,800.00	\$ 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	10/26/2023	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: 80 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: 80 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

191

191

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

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	TIC DATE	UNIT QUALIFICATIONS
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TX0020604	5	512	10/26/2023		Beatle	\$52,575.00	\$ 1,500.00	\$327.00	4	10/26/2023	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: 80 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: 80 Rent LIHTC: 60
TX0020604	5	523	12/1/2025		Garfunkel	\$19,632.00	\$ 1,351.00	\$287.00	3	12/1/2025	Income LIHTC: 80 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

192

192

## Available Unit Rule: Average Income – Learning Point

$50 + 60 + 70 + 40 + 40 + 60 + 60 + 60 = 440/8 = 55\% \text{ average}$			
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%



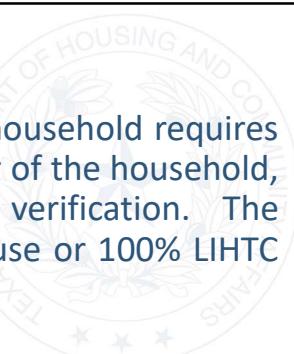
All units in this building are the same size. The Applicable Fraction is based on the unit count.

193

193

## Household Additions

- The addition of new member(s) to an existing low-income household requires screening and income/asset verification for the new member of the household, including firsthand documentation and/or third-party verification. The treatment will depend on whether the building is a mixed-use or 100% LIHTC building.
- 100% HTC Projects
  - The new household member's income is added to the existing household's original Income Certification.
- Mixed-Use Projects
  - The new household member's income is added to the existing household's most recent Income Certification. The household continues to be income-qualified, and the income 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).



194

194

## Household Additions



195

195

## 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.**

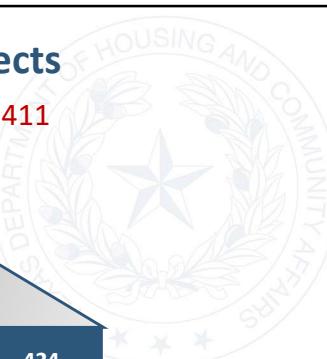
196

196

## Transfers: 100% Low-Income Multiple Building Projects

These two buildings are one project.

Can the household in unit 411 transfer to unit 122?



197

411 60%	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 Vacant 30%	123 40%	124 50%

197

## 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.



198

198

## 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.

199

199

## Transfers of an OI Household

The two buildings are one project.

Can the household in unit 31 transfer to unit 51?

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%

200

200

100

## 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.



201

201

## Transfers within the Same Building/BIN

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

Can the household in unit 301 transfer to unit 503?

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

202

202

## Transfers: Mixed Income Multiple Building Projects

These two buildings are one project.

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%

Can the household in unit 31 transfer to unit 51?

203

203

## Transfers: Mixed Income Multiple Building Projects

These two buildings are one project.

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%

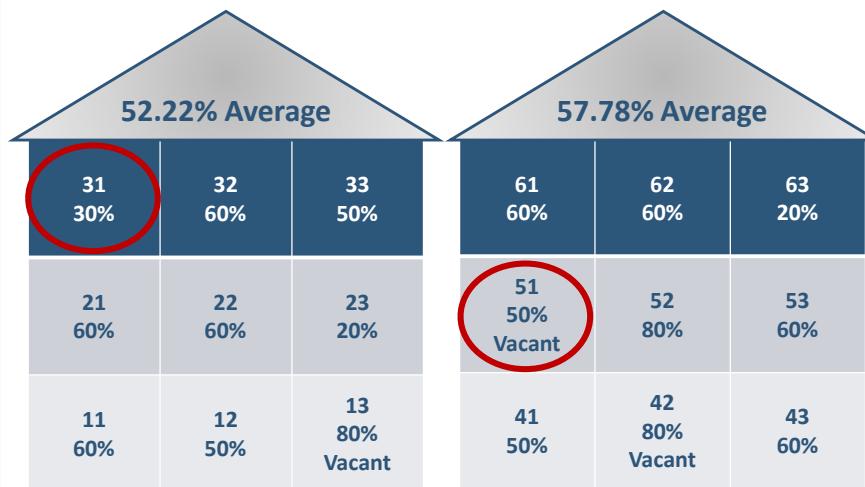
Can the household in unit 21 transfer to unit 51?

204

204

## Transfers: Multiple Building Project; Average Income

These two buildings one project.

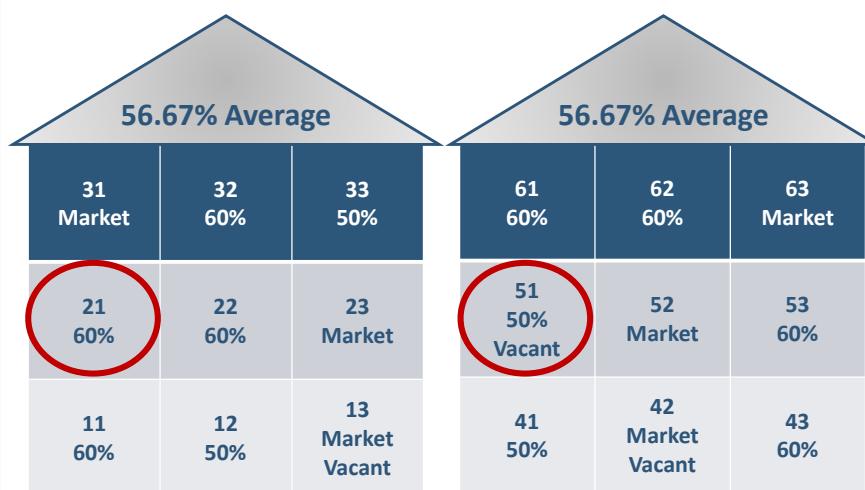


205

205

## Transfers: Individual Building Projects; Average Income

These two buildings are individual projects.



206

206

## 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

207

207

## 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

208

208

## 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 chance

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

209

209

## 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

210

210

## 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**
- B**
- C**

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

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

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

211

211

## 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**
- F**

True, the household moved into the unit on that date

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

212

212

# Module 6



## Acquisition & Rehabilitation and “Post 15”

213

213

### Acquisition and Rehabilitation



214

214

## Acquisition and Rehabilitation: Timeline

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



215

215

## 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

216

216

## Acquisition and Rehabilitation: Learning Point 1

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



217

217

## Acquisition and Rehabilitation: Learning Point 2

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



218

218

## Acquisition and Rehabilitation: The Credit Period

**There is no requirement to qualify existing households as eligible within 120 days of the date of Acquisition, but 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.**

219

219

## 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**

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 as ineligible on March 20, 2025

220

220

## 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

221

221

## Acquisition and Rehabilitation: Form 8609

222

222

## Acquisition and Rehabilitation: Income Limits

Form 8609  
Rev. 04-2019  
Department of the Treasury  
Internal Revenue Service

Part I All

2 Address of Building  
Pandora Springs  
15052 Circle S Drive  
Austin, TX 78701  
32320  
4 Name, address  
Pandora Springs  
15052 Circle S Drive  
Austin, TX 78701  
32320

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

7a Maximum qualified basis

b Check here  if the eligible basis used in the computation of tax 2a was increased under the provisions of section 42(b)(1)(B). Enter the percentage to which the eligible basis was increased (see instructions).

c Date building placed in service

d 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).

e 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  Allocation subject to recognized set-asides under sec. 42(b)(3)

Signature of Authorized Housing Credit Agency Official—Completed by Housing Credit Agency Only  
I declare under penalty of perjury that I have examined this form and to the best of my knowledge and belief, the information is true, correct, and complete.

Part II Allocation of Credit Computed by Building Owners with Respect to the First Year of the Credit Period

7 Eligible basis of the building (see instructions)   Yes  No

8a Original qualified basis of the building at the first year of credit period   Yes  No

b Any increase in the original qualified basis of a multiple building (see purpose of section 42 (see instructions))  Yes  No

c If box 8a or 8b is checked, do you elect to reduce eligible basis under section 42(b)(1)(B)?  Yes  No

d For buildings with 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(b)(6)(B)?  Yes  No

10 Other (see instructions)  Yes  No

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(b)(1)(B))  Yes  No

b. Elect minimum set-asides (section 42(b)(3))  Yes  No

c. Elect minimum set-aside requirement (section 42(b)) (see instructions)  Yes  No

d. Elect minimum set-aside requirement (see instructions)  Yes  No

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)  Date of birth  Date

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 05881J Form 8609 (Rev. 03-2019)

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## 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.

WHEREAS, the Development Owner has, by making an application for and accepting this Determination Notice and taking steps to provide for the issuance of the 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, it 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   
City, State, ZIP   
Contact Phone/Email   
ahammon@pandora.com

Effective Date of Determination Notice   
Expiration Date of Determination Notice

\* 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 standards and requirements of the Rules and QAP, as amended. This Notice does not preclude the possibility that the manager, 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.

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## Acquisition & Rehabilitation with Previous Tax Credit Allocation

Form 8609, January 1993  
For the First Year of Credit Period  
Part I Allocation of Credit — Completed by Housing Credit Agency Only  
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.

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

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

101 Givens Dr. (1 of 17)  
Georgetown, TX 78654

**C. Name, address, and EIN of building owner, referring attachment**

Hammond Inc.  
480 Post Oak  
Houston, TX 77008  
EIN: 71-0000101

**D. Name and address of housing credit agency**

Texas Department of Housing & Community Affairs  
P.O. Box 129711  
Austin, TX 78711-3941

**E. Employee identification number of agency**

IX-95-0000101

**1a Date of allocation** 12/15/93 **b Maximum housing credit dollar amount allowable** 50,662.75  
**2 Maximum applicable credit percent allowable** 2  
**3a Maximum qualified basis** 600,263.25  
**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) 100.00%  
**4 Percentage of the eligible basis financed by tax-exempt bonds** 0.00%  
**b Date building placed in service** 12/31/95  
**c Check the box that describes the building (check only one)**  
 Newly constructed and federally subsidized  Newly constructed and not federally subsidized  Existing building  Sec. 42(d) rehabilitation expenditures (federally subsidized)  Sec. 42(d) rehabilitation expenditures not federally subsidized  
**d Check here**  If the date of allocation on line 1a is in calendar year 2021 or 2022 and the applicable high-cost area provisions of section 42(d)(5)(B), Enter the percentage to which the eligible basis is reduced (see instructions) 0.00%  
**e Building identification number (EIN)** 91-1893333

**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)** 100,662.75  
**7b Original qualified basis of the building at close of first credit period** 100,662.75  
**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(d)(2)(B)?**  Yes  No  
**b Do you elect to reduce eligible basis by disproportionate cost of non-low-income units (section 42(d)(3)(B))?**  Yes  No  
**10 Check the appropriate box for each election:**  
 a Elect a single credit period the first year after the building is placed in service (section 42(d)(1)(A))  Yes  No  
 b Elect not to treat large partnership as taxpayer (section 42(d)(6))  Yes  No  
 c Elect individual tax-credit requirement (section 42(d)(7) (see instructions))  20-60  40-80  25-60 (N.Y.C. only)  15-40  
 d Elect deep-rent skewed project (section 42(d)(4)(B) (see instructions))  20-60  40-80  25-60 (N.Y.C. only)  15-40

**11a 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 2001)  
Low-Income Housing Credit Allocation  
and Certification  
Internal Revenue Service

**Part I Allocation of Credit**

**a Address of building (do not use P.O. box) (see Part I instructions)**  
Planned Springs Apartments  
1501 Circle S  
Austin, TX 78731-3941  
1129  
Check here if you are not the building owner (see instructions)  
Planned Springs LTD.  
10543 N. 45th Street  
Austin, TX 78756

**b Name and address of housing credit agency**  
TDHCA  
2211 11th Street  
Austin, TX 78711-3941

**c Employee identification number of agency** 74-262052

**d Building identification number (EIN)** TX-11-01201

**1a Date of allocation** **b Maximum housing credit dollar amount allowable** 45,000  
**2 Maximum applicable credit percentage allowable (see instructions)** 3.24%  
**3a Maximum qualified basis** 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 is reduced (see instructions) **3b** 1 0 0 %  
**c Percentage of the aggregate basis financed by tax-exempt bonds** **d** 0.00%  
**e Date building placed in service** 9/23/2021  
**f Check here**  If the date of allocation on line 1a is in calendar year 2021 or 2022 and the applicable high-cost area provisions of section 42(d)(5)(B), Enter the percentage to which the eligible basis is reduced (see instructions) **4** 0.00%  
**g Check the boxes that describe the allocation for the building (check those that apply):**  
 Newly constructed and federally subsidized  Newly constructed and not federally subsidized  Existing building  
 Elect to begin credit period the first year after the building is placed in service (section 42(d)(1)(A))  Yes  No  
 Elect not to treat large partnership as taxpayer (section 42(d)(6))  Yes  No  
 Elect individual tax-credit requirement (section 42(d)(7))  20-60  40-80  25-60 (N.Y.C. only)  15-40  
 Elect deep-rent skewed project (section 42(d)(4)(B) (see instructions))  20-60  40-80  25-60 (N.Y.C. only)  15-40

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

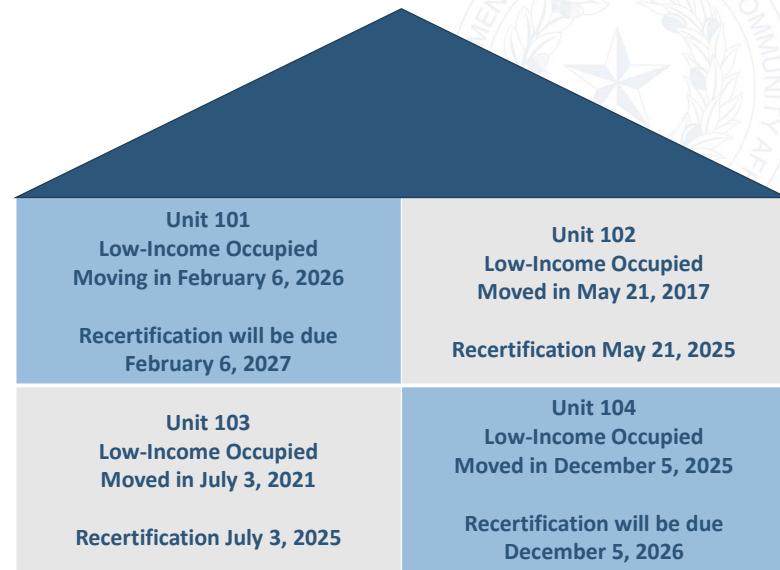
**Part II First-Year Certification — Completed by Building Owners with respect to the First Year of the Credit Period**

**7a Eligible basis of building (see instructions)** **b Original qualified basis of the building at close of first year of credit period** **c** **d** **e** **f** **g** **h** **i** **j** **k** **l** **m** **n** **o** **p** **q** **r** **s** **t** **u** **v** **w** **x** **y** **z**  
**8a 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(d)(2)(B)?**  Yes  No  
**b For each building in the project, enter the standards or 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)(5)(B)?**  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(d)(1)(A))  Yes  No  
 b Elect not to treat large partnership as taxpayer (section 42(d)(6))  Yes  No  
 c Elect individual tax-credit requirement (section 42(d)(7))  20-60  40-80  25-60 (N.Y.C. only)  15-40  
 d Elect deep-rent skewed project (section 42(d)(4)(B) (see instructions))  20-60  40-80  25-60 (N.Y.C. only)  15-40

**11a Signature** **b Taxpayer identification number** **c Date**  
**d Name (please type or print)** **e** **f** **g** **h** **i** **j** **k** **l** **m** **n** **o** **p** **q** **r** **s** **t** **u** **v** **w** **x** **y** **z** **aa** **bb** **cc** **dd** **ee** **ff** **gg** **hh** **ii** **jj** **kk** **ll** **mm** **nn** **oo** **pp** **qq** **rr** **ss** **tt** **uu** **vv** **ww** **xx** **yy** **zz** **aa** **bb** **cc** **dd** **ee** **ff** **gg** **hh** **ii** **jj** **kk** **ll** **mm** **nn** **oo** **pp** **qq** **rr** **ss** **tt** **uu** **vv** **ww** **xx** **yy** **zz** **aa** **bb** **cc** **dd** **ee** **ff** **gg** **hh** **ii** **jj** **kk** **ll** **mm** **nn** **oo** **pp** **qq** **rr** **ss** **tt** **uu** **vv** **ww** **xx** **yy** **zz** **aa** **bb** **cc** **dd** **ee** **ff** **gg** **hh** **ii** **jj** **kk** **ll** **mm** **nn** **oo** **pp** **qq** **rr** **ss** **tt** **uu** **vv** **ww** **xx** **yy** **zz** **aa** **bb** **cc** **dd** **ee** **ff** **gg** **hh** **ii** **jj** **kk** **ll** **mm** **nn** **oo** 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## Re-Syndication: Learning Point continued

Award Date: November 1, 2025



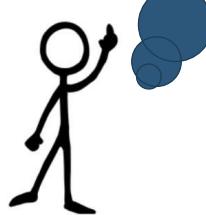
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## Acquisition and Rehabilitation: Notes on Re-Syndication

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



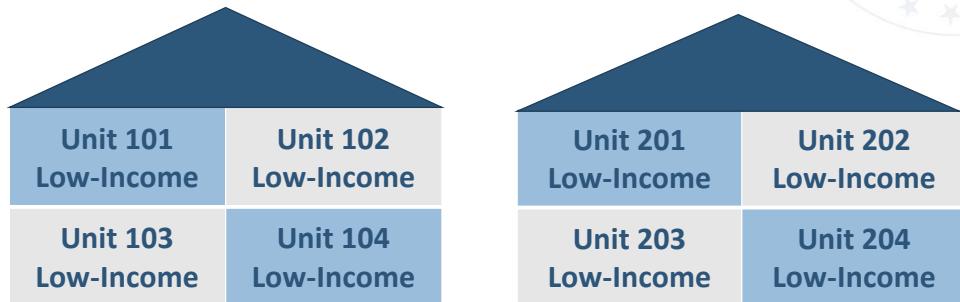
If the rehab combines  
Housing Tax Credits with  
any other Federal funds be  
sure to review the Uniform  
Relocation Act (URA) to  
ensure compliance

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## 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



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## The End of the Federal Compliance Period



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## Post-15: Monitoring Requirements

### Post-15: File Monitoring

- Frequency and depth based on risk assessment

### Post-15: Physical Inspection

- Every 3 years

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## 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.

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## 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.

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## 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.

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## 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)(3)(C) of the Code shall control the Project and shall materially participate (within the meaning of Section 42(h)(3)(C) of the Code) in the operation of the Project. 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.

**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 of the Project's gross income. The HUB must also materially participate in the Development and operation of the Development throughout the industry. The Development Owner must obtain prior approval from the Department before the Declaration 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.

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## 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.

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## 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**

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## Post-15: Mixed Income Developments

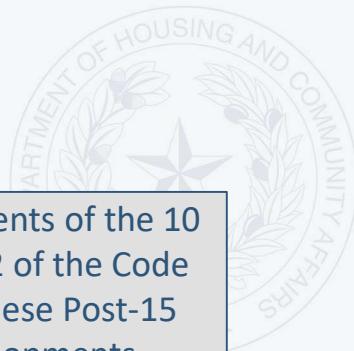
Mixed income developments are not required to conduct annual income recertification:

- 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

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## 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.

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## 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.**

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## 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.

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## 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 end 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.

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## 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

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## Module 7

### Compliance Monitoring



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## Reporting Requirements: 10 TAC §10.607

### Annual Owner's Compliance Report (AOCR)

- 3 Parts and the Annual Owner Financial Certification
- Due April 30<sup>th</sup> for the previous calendar year
- 1<sup>st</sup> report is due the second year after an award

### Periodic Unit Status Reports (USR)

- Due on the 10<sup>th</sup> day of January, April, July and October
- 1<sup>st</sup> report is due after leasing commences

### Monitoring Reviews

- Due date is identified in the notification of the review

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## 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 known 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.

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## Notification of Monitoring Review: On-Site

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Greg Abbott  
GOVERNOR

January 3, 2023

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.**

January 3, 2023

Steven Clark  
Pandora Springs, LTD  
Lansing, MI

RE: Pandora Springs

1501 Circle S  
Austin, TX 78711

CMTS: 8223 LHTC-01201

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:

- Monitor Review Questionnaire
- 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

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## Notification of Monitoring Review: Desk

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Greg Abbott  
GOVERNOR

January 3, 2023

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 all the files, they must 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):

- Monitor Review Questionnaire
- 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](mailto:cara.pollei@tdhca.state.tx.us).

Sincerely,

Cara Pollei  
Senior Compliance Monitor

221 East 11th Street P.O. Box 1248

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## 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.

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## 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 Department, click [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 and unit documents, the file layouts and field definitions for the CMTS Unit Upload feature are located in the [CMTS User Guidelines](#).

Visit the [Compliance Reports](#) page for additional information.

Visit the [Trainings Presentation](#) page for CMTS training.

**CMTS Property Reporting System**

Please log in to continue.

User ID:	<input type="text"/>
Password:	<input type="password"/>
<input type="button" value="Login"/>	

You are making a secure connection with our server.  
All information that you submit is encrypted.

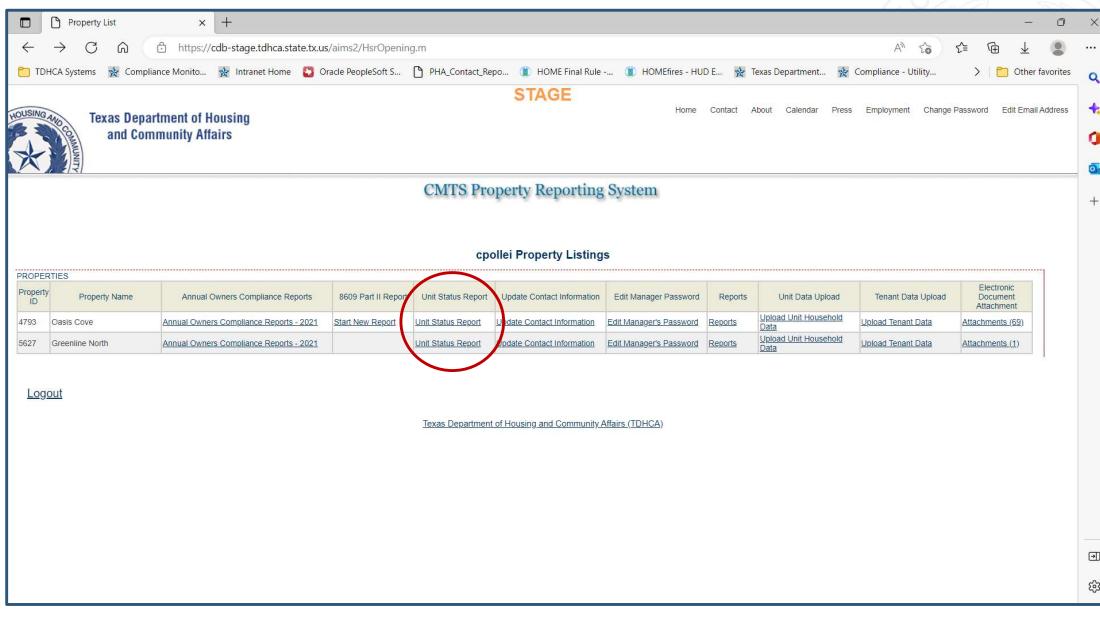
You are accessing a Texas Department of Housing and Community Affairs information system. Unauthorized use is prohibited, and usage may be subject to security testing and monitoring. Misuse of this system is subject to criminal prosecution. Users of this system should have no expectation of privacy except as otherwise provided by applicable privacy laws.

<https://www.tdhca.texas.gov/compliance-monitoring-tracking-system>

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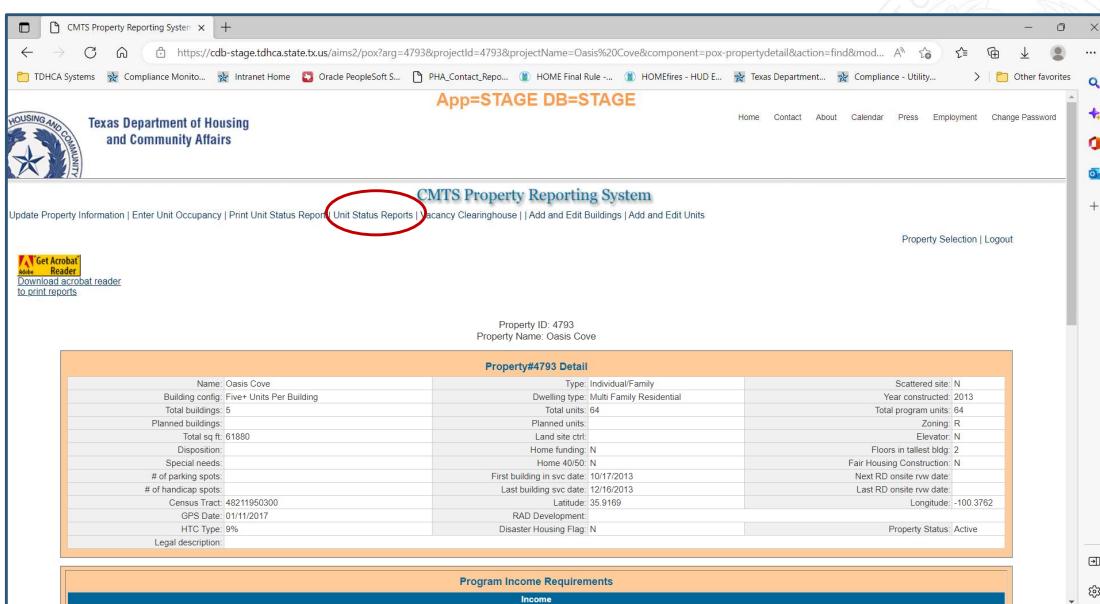
## Monitor Review Questionnaire: Where is it?



The screenshot shows a web browser window for the CMTS Property Reporting System. The URL is <https://cdb-stage.tdhca.state.tx.us/aims2/HsrOpening.m>. The page title is "CMTS Property Reporting System". The top navigation bar includes links for Home, Contact, About, Calendar, Press, Employment, Change Password, and Edit Email Address. The main content area is titled "cpolli Property Listings" and shows a table of properties. The first row of the table has a "Unit Status Report" link, which is circled in red. Other links in the table include "Start New Report", "Update Contact Information", "Edit Manager's Password", "Reports", "Unit Data Upload", "Tenant Data Upload", and "Electronic Document Attachment". Below the table is a "Logout" link and the text "Texas Department of Housing and Community Affairs (TDHCA)".

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## Monitor Review Questionnaire: Where is it?



The screenshot shows a web browser window for the CMTS Property Reporting System. The URL is [https://cdb-stage.tdhca.state.tx.us/aims2/pox?arg=4793&projectId=4793& projectName=Oasis%20Cove&component=pox\\_propertydetail&action=find&mod...](https://cdb-stage.tdhca.state.tx.us/aims2/pox?arg=4793&projectId=4793& projectName=Oasis%20Cove&component=pox_propertydetail&action=find&mod...). The page title is "CMTS Property Reporting System". The top navigation bar includes links for Home, Contact, About, Calendar, Press, Employment, Change Password, and Property Selection (Logout). The main content area is titled "CMTS Property Reporting System" and shows a table of property details. The "Unit Status Reports" link is circled in red. Other links in the table include "Update Property Information", "Enter Unit Occupancy", "Print Unit Status Report", "Vacancy Clearinghouse", "Add and Edit Buildings", and "Add and Edit Units". Below the table is a "Property Selection | Logout" link.

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## Monitor Review Questionnaire: Where is it?

App=STAGE DB=STAGE

Texas Department of Housing and Community Affairs

CMTS Property Reporting System

Property ID: 4793  
Property Name: Oasis Cove

Unit Status Reports

Unit Status Report

Report Type	Due Date	Submitted Date	Submit	Print
Unit Status Report / Desk - Quarterly Vacancy Report	10/10/21	Has not been submitted	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	07/10/21	07/09/21	[Submit]	[Print USR PDF / Excel]
Unit Status Report - Part B / Desk - Annual Owners Compliance Reports	04/30/21	Has not been submitted	[Submit]	[Print USR PDF / Excel]
Unit Status Report - Part B / Desk - Annual Owners Compliance Reports	04/30/21	04/08/21	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	04/10/21	04/08/21	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	07/10/20	07/09/20	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	10/10/20	10/08/20	[Submit]	[Print USR PDF / Excel]
Unit Status Report - Part B / Desk - Annual Owners Compliance Reports	07/15/20	04/16/20	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	07/10/20	07/10/20	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	04/10/20	04/16/20	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	01/10/20	01/10/20	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	10/10/19	10/08/19	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	07/10/19	07/11/19	[Submit]	[Print USR PDF / Excel]
Unit Status Report - Part B / Desk - Annual Owners Compliance Reports	04/30/19	04/30/19	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	04/10/19	04/30/19	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Oasis	04/02/19	04/02/19	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	01/10/19	01/02/19	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	10/10/18	10/11/18	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	07/10/18	07/10/18	[Submit]	[Print USR PDF / Excel]
Unit Status Report - Part B / Desk - Annual Owners Compliance Reports	04/30/18	04/29/18	[Submit]	[Print USR PDF / Excel]
Unit Status Report / Desk - Quarterly Vacancy Report	04/10/18	03/27/18	[Submit]	[Print USR PDF / Excel]

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## Monitor Review Questionnaire: Where is it?

Monitor Review Questionnaire

Monitor Review Questionnaire

Report Type	Due Date	Questionnaire	Submitted Date	Submit	Print
Entrance Interview Questionnaire	04/02/2019		04/02/2019	[Print as Submitted]	[Print as Submitted]
Entrance Interview Questionnaire	04/13/2016		04/12/2016	[Print as Submitted]	[Print as Submitted]
Entrance Interview Questionnaire	01/31/2014		01/29/2014	[Print as Submitted]	[Print as Submitted]

Required Confirmation of Notification

UPCS Required Notification

Report Type	Due Date	Questionnaire	Submitted Date	Submit	Print
UPCS Inspection Report	05/01/2020	[Start, Edit or View before submission]	Has not been submitted	Must Save Before Submission	[Preview before submitting]
UPCS Inspection Report	06/01/2017		05/04/2017		[Print as Submitted]
UPCS Inspection Report	05/01/2014		03/26/2014		[Print as Submitted]

Utility Allowance Review Questionnaire

Utility Allowance Review Questionnaire

Report Type	Due Date	Questionnaire	Submitted Date	Submit	Print

Quarterly Owners Financial Certification

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## Monitor Review Questionnaire: Where is it?



**Monitor Review Questionnaire**

Report Type	Due Date	Questionnaire	Submitted Date	Submit	Print
Entrance Interview Questionnaire	03/30/2021		03/25/2021		[Print as Submitted]
Entrance Interview Questionnaire	04/23/2018		04/24/2018		[Print as Submitted]
Entrance Interview Questionnaire	05/26/2019		05/27/2019		[Print as Submitted]
Entrance Interview Questionnaire	06/25/2014		06/24/2014		[Print as Submitted]
Entrance Interview Questionnaire	06/10/2013		05/29/2013		[Print as Submitted]
Entrance Interview Questionnaire	07/16/2012		07/09/2012		[Print as Submitted]
Entrance Interview Questionnaire	06/30/2011		06/27/2011		[Print as Submitted]
Entrance Interview Questionnaire	05/27/2010		05/01/2010		[Print as Submitted]
Entrance Interview Questionnaire	07/08/2009	[Start, Edit or View before submission]	Has not been submitted	[Submit]	[Preview before submitting]

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## Monitoring Review: CMTS Attachment System

**admtdhca2 Property Listings**

PROPERTIES									
Property ID	Property Name	Annual Owners Compliance Reports	6050 Part II Report	Unit Status Report	Update Contact Information	Edit Manager Password	Reports	Unit Data Upload	Tenant Data Upload
1265	Hilcrest House	Annual Owners Compliance Reports - 2018	Start New Report	Unit Status Report	Update Contact Information	Edit Manager's Password	Reports	Upload Unit Household Data	Upload Tenant Data
1341	Island Palms Apartments	Annual Owners Compliance Reports - 2019	Start New Report	Unit Status Report	Update Contact Information	Edit Manager's Password	Reports	Upload Unit Household Data	Upload Tenant Data
3417	Miles or Sixth Street	Annual Owners Compliance Reports - 2019	Start New Report	Unit Status Report	Update Contact Information	Edit Manager's Password	Reports	Upload Unit Household Data	Upload Tenant Data
4639	Carson Marie Terrene	Annual Owners Compliance Reports - 2019	Start New Report	Unit Status Report	Update Contact Information	Edit Manager's Password	Reports	Upload Unit Household Data	Upload Tenant Data
5363	Pathways at Gerton Place	Annual Owners Compliance Reports - 2019	Start New Report	Unit Status Report	Update Contact Information	Edit Manager's Password	Reports	Upload Unit Household Data	Upload Tenant Data

[Logout](#)

Texas Department

The Attachment System is used by the Department for a number of purposes. This is the digital filing cabinet for the property and will be used by various divisions (Compliance, Physical Inspections, Asset Management, Fair Housing, Complaints, etc.) to communicate with the Development. It should be monitored regularly and anything uploaded into the system to the property's attention should be responded to accordingly.

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## 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.

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## Monitoring Review: Utility Allowance Submission

Utility Allowance Schedule		Utility Allowance Schedule		Utility Allowance Schedule	
U.S. Department of Housing and Urban Development Office of Public and Indian Housing		U.S. Department of Housing and Urban Development Office of Public and Indian Housing		U.S. Department of Housing and Urban Development Office of Public and Indian Housing	
See Public Reporting and Instructions on back.		See Public Reporting and Instructions on back.		See Public Reporting and Instructions on back.	
The following allowances are used to determine the total cost of tenant-assumed utilities and appliances.		The following allowances are used to determine the total cost of tenant-assumed utilities and appliances.		The following allowances are used to determine the total cost of tenant-assumed utilities and appliances.	
Date (mm/dd/yyyy) Effective: 6-1-2022		Date (mm/dd/yyyy) Effective: 06/01/2024		Date (mm/dd/yyyy) Effective: 06/01/2025	
Locality/PA: Housing Authority of the City of Austin, TX		Locality/PA: Housing Authority of the City of Austin, TX		Locality/PA: Housing Authority of the City of Austin, TX	
Unit Type: Multi-Family - (Apartment)		Unit Type: Multi-Family - (Apartment)		Unit Type: Multi-Family - (Apartment)	
0 BR 1 BR 2 BR 3 BR 4 BR 5 BR		0 BR 1 BR 2 BR 3 BR 4 BR 5 BR		0 BR 1 BR 2 BR 3 BR 4 BR 5 BR	
Heating		Heating		Heating	
a. Natural Gas	\$16.00	\$19.00	\$21.00	\$23.00	\$25.00
b. Bottled Gas/Propane					
c. Electric	\$7.00	\$9.00	\$11.00	\$13.00	\$15.00
d. Oil					
Cooking		Cooking		Cooking	
a. Natural Gas	\$4.00	\$4.00	\$7.00	\$8.00	\$11.00
b. Bottled Gas/Propane					
c. Electric	\$4.00	\$4.00	\$7.00	\$8.00	\$10.00
Other Electric & Cooling		Other Electric & Cooling		Other Electric & Cooling	
Other Electric (Lights & Appliances)	\$24.00	\$27.00	\$34.00	\$40.00	\$47.00
Electric Monthly Charge					
Air Conditioning	\$12.00	\$14.00	\$19.00	\$24.00	\$29.00
Water Heating		Water Heating		Water Heating	
a. Natural Gas	\$8.00	\$9.00	\$11.00	\$17.00	\$21.00
b. Bottled Gas/Propane					
c. Electric	\$9.00	\$10.00	\$13.00	\$16.00	\$19.00
d. Oil					
Water, Sewer, Trash Collection		Water, Sewer, Trash Collection		Water, Sewer, Trash Collection	
Water	\$37.00	\$38.00	\$45.00	\$52.00	\$59.00
Sewer	\$75.00	\$76.00	\$90.00	\$103.00	\$116.00
Trash Collection	\$30.00	\$30.00	\$30.00	\$32.00	\$32.00
Actual Family Allowances		Actual Family Allowances		Actual Family Allowances	
Used by the family to compute allowance. Complete below for the actual amount.		Used by the family to compute allowance. Complete below for the actual amount.		Used by the family to compute allowance while searching for a Utility/Service/Appliance Allowance.	
Refrigerator - Tenant-supplied		Refrigerator - Tenant-supplied		Refrigerator	
\$12.00		\$12.00		\$12.00	
Other - specify Monthly Charges					
Natural Gas Charge \$22.61		\$23.00		\$23.00	
Actual Family Allowances		Utility or Service per month cost		Allowance	
Used by the family to compute allowance. Complete below for the actual amount.					
Cooking		\$			
Other Electric		\$			
Air Conditioning		\$			
Water Heating		\$			
Water		\$			
Sewer		\$			
Trash Collection		\$			
Range/Microwave		\$			
Refrigerator		\$			
Total		\$			
Number of Bedrooms					
Other					
Total		\$			
 Certified by the Management Company 11/2022					
The Nelrod Company 11/2022 Update		adapted from form HUD-52667 (7/2019)		The Nelrod Company 11/2023 Update	
				adapted from form HUD-52667 (04/2023)	
				The Nelrod Company 11/2024 Update	
				adapted from form HUD-52667 (04/2023)	

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## Monitoring Review: Forms 8609 and Certificates of Occupancy

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## 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
<b>Screening AI Enterprise</b>	<b>\$15.35*</b>
LeasingDesk Screening Business Credit Report	\$40.00*
<i>Total Price excluding taxes where applicable*</i>	

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.

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## 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.*



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## 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.

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## Desk Review: Files Requested

  
**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**  
[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Greg Abbott  
Governor

January 25, 2023

Steven Clark  
Pandora Springs LTD  
Lansing, MI  
steven@pandorasprings.com

RE: Pandora Springs

CMTS ID: 6223

In regards to the Desk Monitoring Review required for the above referenced development, the following files have been selected for review:

8	15	22	30	31
36	40	42	45	47
50	58	61	63	70
73	75	78		

For each file that has been selected, please upload to CMITS the following:

1. Current Lease (all pages)
2. Lease Addendum for good cause and lockout requirements
3. Tenant's Rights and Resources Guide acknowledgment form
4. The Initial Tenant Application(s)
5. Initial Tenant Release and Consent form
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

[Redacted]

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

Pandora Springs  
Page 2

Additionally, upload the following:

- Tenant Rights and Resources Guide as posted, the pre-review documents only included a photo of the posted Guide.

Please submit each file separately, as one document and labeled as the unit number. \*\*Maximum file size is 15 MB. Before uploading files, please make sure that you are not creating files with file sizes that are unnecessarily large. For example, a 10 page file should be less than 200 KB in size, not 5 to 10 MB. If you scan to PDF, the resolution on your scanner should be set to 200 dots per inch (DPI) or less. If you convert files from Word or Excel to PDF, please research how to optimize file sizes with the PDF software you use.

The deadline for submission is January 26, 2023 at 10:00 am. Failure to submit the requested documentation will result in noncompliance. If you have any further questions, 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](mailto:cara.pollei@tdhca.state.tx.us).

Sincerely,

Cara Pollei  
Senior Compliance Monitor

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## Desk Review: Files Requested

Dear Mr. Clark:

In regards to the Desk Monitoring Review required for the above referenced development, the following files have been selected for review:

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Pandora Springs  
Page 2

Additionally, upload the following:

- Tenant Rights and Resources Guide as posted, the pre-review documents only included a photo of the posted Guide.

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## Desk Review: Files Requested

Deadline is a hard deadline  
due to the updated IRS  
§1.42-5 regulation:  
“reasonable notice of  
review is no more than 15  
days”

**The deadline for submission is January 26, 2023 at 10:00 am.** Failure to submit the requested documentation will result in noncompliance. If you have any further questions, 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.

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## Monitoring Report



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## Monitoring Report: The Report

<p>TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS www.tdhca.state.tx.us</p> <p>Greg Abbott Governor</p> <p>Lea Vassquez, Chair Housing Committee, Vice Chair Budget Committee Anna Maria Parise, Member Housing Committee John Thomas, Member</p> <p>December 29, 2022</p> <p>Writer's direct phone # (512) 479-3022 Email: cara.pollei@tdhca.state.tx.us</p> <p>Steven Clark Pandora Springs, LTD Lansing, MI steven@pandorasprings.com</p> <p>RE: Pandora Springs CMTS ID: 6223</p> <p>Dear Mr. Clark:</p> <p>The Texas Department of Housing and Community Affairs (Department) has completed a monitoring review of Pandora Springs, which participates in the Low-income Housing Tax Credit (LHTC) or LIHTC program. This review was performed as required by Treasury Regulation §1.425-5, 24 CFR Part 92 and/or 10 TAC §10.618.</p> <p>Events of noncompliance have been identified and corrective action is required. The attached Monitoring and Findings Report details the event(s) of noncompliance and the required corrective action. This notice begins the corrective action period. Please supply all requested documentation no later than March , 2023, the last day of the corrective action period.</p> <p>If clarification is necessary to complete the corrective action, contact us as soon as possible. If it is not possible to provide the requested documentation by March , 2023, correct as much as you can and submit a corrective action plan detailing how and when the remaining issue(s) of noncompliance will be corrected. The Department will accept a corrective action plan for a total of six months, but only if there is good cause and a request is received prior to the end of the corrective action period. If an extension to correct the event(s) of noncompliance is needed, please send an email request prior to March , 2023 to <a href="mailto:compliance.extensionrequest@tdhca.state.tx.us">compliance.extensionrequest@tdhca.state.tx.us</a>.</p> <p>The Department recommends submitting a cover letter explaining the documentation submitted to address each event of noncompliance. Upload your corrective action to the Electronic Document Attachment system using the development's Compliance Monitoring and Tracking System (CMTS) account. For instructions on how to use the attachment system, please see <i>Attaching Documents to CMTS</i> found on the Department's website. To access, on the home page, select "Support and Services" tab; then select "Compliance". From the submenu, select "Online Reporting".</p> <p>©2021 East 11th Street P.O. Box 13941 Austin, Texas 78711-3941 (800) 525-0557 (512) 479-3800</p>	<p>Pandora Springs Page 3</p> <p>Monitoring Report Pandora Springs LHTC File: 17051 CMTS ID: 6223</p> <p>The Texas Department of Housing and Community Affairs completed an on-site monitoring review of Pandora Springs on December 14, 2022. Cara Pollei represented the Department.</p> <p>The review resulted in three (3) events of noncompliance:</p> <ol style="list-style-type: none"> <li>1. Noncompliance with utility allowance requirements described in §10.614 of this subchapter and/or Treasury Regulation 1.42-10</li> <li>2. Program Unit not leased to Low-income household/Household income above income limit upon initial occupancy; affecting unit 15</li> <li>3. Failure to provide Tenant Income Certification and documentation; affecting unit 45</li> </ol> <p>The following Technical Assistance is offered:</p> <ul style="list-style-type: none"> <li>• Per Appendix A of the Land Use Restriction Agreement (LURA) the Development is required to provide a minimum 10 total points worth of services from the list in the LURA. Based on the documentation submitted it does not appear that the Development is fully complying with the requirements of the LURA. The monitor did not see evidence that Home Chores was being offered.</li> </ul> <p>Files reviewed:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>8</td> <td>15</td> <td>22</td> <td>30</td> <td>31</td> </tr> <tr> <td>35</td> <td>40</td> <td>42</td> <td>45</td> <td>47</td> </tr> <tr> <td>50</td> <td>58</td> <td>61</td> <td>63</td> <td>70</td> </tr> <tr> <td>73</td> <td>75</td> <td>78</td> <td></td> <td></td> </tr> </table> <p>Additional tips and links for future reference:</p> <ul style="list-style-type: none"> <li>• <a href="#">Join Our Email List</a>: 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 Texas homepage.</li> <li>• <a href="#">Compliance Monitoring Rules</a>: 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: <a href="http://texreg.sos.state.tx.us/public/readDocTextViewTAC?loc_viewS8&amp;rl=10&amp;pt=1&amp;ch=10&amp;chf=8&amp;rlv=1">http://texreg.sos.state.tx.us/public/readDocTextViewTAC?loc_viewS8&amp;rl=10&amp;pt=1&amp;ch=10&amp;chf=8&amp;rlv=1</a></li> <li>• <a href="#">Compliance Forms are available at</a> <a href="http://www.tdhca.state.tx.us/programs/forms.htm">http://www.tdhca.state.tx.us/programs/forms.htm</a></li> <li>• <a href="#">Income and Rent Limits are published at least annually at</a> <a href="http://www.tdhca.state.tx.us/programs/lim.htm">http://www.tdhca.state.tx.us/programs/lim.htm</a></li> <li>• <a href="#">Frequently asked questions and answers are available at</a> <a href="http://www.tdhca.state.tx.us/programs/comFAQ.htm">http://www.tdhca.state.tx.us/programs/comFAQ.htm</a></li> <li>• <a href="#">Ownership transfer</a>: 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: <a href="http://www.tdhca.state.tx.us/asset-management/pos-manual.htm">http://www.tdhca.state.tx.us/asset-management/pos-manual.htm</a></li> </ul>	8	15	22	30	31	35	40	42	45	47	50	58	61	63	70	73	75	78		
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## Monitoring Report: The Report

Events of noncompliance have been identified and corrective action is required. The attached Monitoring and Findings Report details the event(s) of noncompliance and the required corrective action. This notice begins the corrective action period. Please supply all requested documentation no later than **March 29, 2023**, the last day of the corrective action period.

If clarification is necessary to complete the corrective action, contact us as soon as possible. If it is not possible to provide the requested documentation by **March 29, 2023**, correct as much as you can and submit a corrective action plan detailing how and when the remaining issue(s) of noncompliance will be corrected. The Department may have the ability to extend the corrective action period for a total of six months, but only if there is good cause and a request is received prior to the end of the corrective action period. If an extension to correct the event(s) of noncompliance is needed, please send an email request prior to **March 29, 2023** to [compliance.extensionrequest@tdhca.state.tx.us](mailto:compliance.extensionrequest@tdhca.state.tx.us).

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## Monitoring Report: The Report

The Texas Department of Housing and Community Affairs completed an on-site monitoring review of Pandora Springs on December 14, 2022. Cara Pollei represented the Department.

### The review resulted in three (3) events of noncompliance:

1. Noncompliance with utility allowance requirements described in §10.614 of this subchapter and/or Treasury Regulation 1.42-10
2. Program Unit not leased to Low-Income household/Household income above income limit upon initial occupancy: affecting unit 15
3. Failure to provide Tenant Income Certification and documentation: affecting unit 45

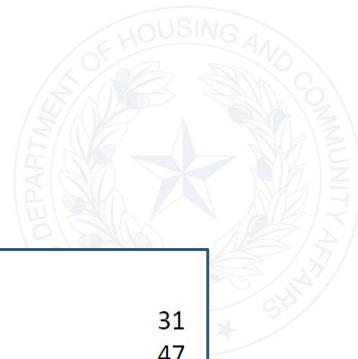
### The following Technical Assistance is offered:

- Per Appendix A of the Land Use Restriction Agreement (LURA) the Development is required to provide at a minimum 10 total points worth of services from the list in the LURA. Based on the documentation submitted it does not appear that the Development is fully complying with the requirements of the LURA. The monitor did not see evidence that Home Chores was being offered.

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## Monitoring Report: The Report



### Files reviewed:

8	15	22	30	31
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## Monitoring Report: The Report

### *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](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/pmcamp/forms.htm>*
- *Income and Rent Limits are published at least annually at: <http://www.tdhca.state.tx.us/pmcamp/irl/index.htm>*
- *Frequently asked questions and answers are available at: <http://www.tdhca.state.tx.us/pmcamp/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>*

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## Monitoring Report: The Details

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS COMPLIANCE REVIEW DETAIL FINDINGS AND CORRECTIVE ACTION By program			Printed Date: 12/29/22 Page 1 of 2																								
Property ID # 6223 Property: Pandora Springs Address: 1501 Circle S, Austin, TX 78711		Last Desk Review Date: 12/14/22 Last Onsite Review Date: 12/14/22 Program(s): LIHTC File # 170511 Occupancy as of 12/01/22																									
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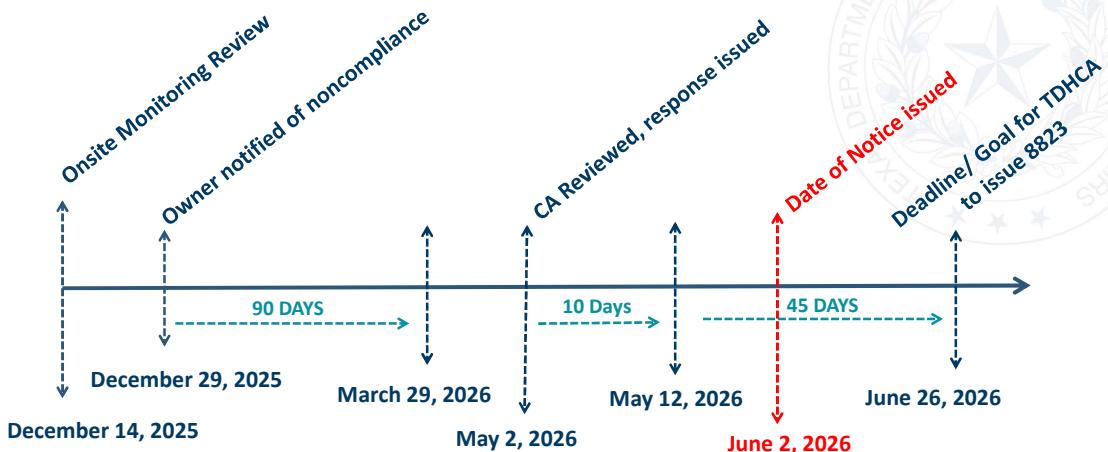
## Monitoring Report: The Details

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## Monitoring Report: The Timeline



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## Form 8823: Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition

Form 8823  
Low-Income Housing Credit Agencies  
Report of Noncompliance or Building Disposition  
OMB No. 1145-1204  
Check here if this is an  
amended return

IRS Use Only

1 Building name (if any). Check if item 1 differs from Form 8809

2 Street address  
City or town, state, and ZIP code

3 Building identification number (BIN)  
Street address  
City or town, state, and ZIP code

4 Owner's taxpayer identification number  EIN  SSN

5 Total credit allocated to this building  
6 If this building is part of a larger building project, enter the number of buildings in the project  
7a Total number of residential units in this building  
7b Total number of low-income units in this building  
7c Total number of units determined to have noncompliance issues  
7d Total number of units received by agency (see instructions)  
8 Building ceased to meet low-income credit purposes (see instructions)  
9 Date noncompliance corrected (if applicable) (see instructions) (MM/DD/YYYY)  
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:  
a Building no longer in existence  
b Owner failed to correctly compute or document tenant's annual income recertification  
c Violations of the LPRCS or local inspection standards (see instructions) (attach explanation)  
d Owner failed to correct building code violations (attach explanation)  
e Changes in Eligible Basis or the Applicable Percentage (see instructions)  
f Project failed to meet minimum self-serve requirement (2050, 40,000 test) (see instructions)  
g Owner failed to meet minimum self-serve requirement (2050, 40,000 test) (see instructions)  
h Project not available to the general public (see instructions) (attach explanation)  
i Violations of the Vacant Unit Rule under Reg. 1.42-5(c)(1)(ii)  
j Owner failed to execute and record extended-use agreement within time prescribed by section 4370(b)(2)  
k Low-income units used on a transient basis (attach explanation)  
l Owner did not properly calculate utility allowance  
m Owner failed to meet minimum self-serve requirement for monitoring reviews  
n Owner failed to correct building code violations (attach explanation)  
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 Owner failed to correct building code violations (attach explanation)  
r Other (see instructions)  
12 Additional information for any item above. Attach explanation and check box  
13a Building disposition by  Sale  Foreclosure  Destruction  Other (attach explanation)  
13b Date of disposition (MM/DD/YYYY)  
13c New owner's name  New owner's taxpayer identification number  EIN  SSN  
13d Street address  
14 Name of contact person  
15 Telephone number of contact person  
16

Under penalties of perjury, I declare that I have reviewed the 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 (MM/DD/YYYY)

For Paperwork Reduction Act Notice, see instructions.

Form 8823 (Rev. 8-2015)

For Cat. No. 12300D

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)

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## Form 8823: Types of Noncompliance

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## Form 8823: Types of Noncompliance

		Out of compliance	Noncompliance corrected
<b>11</b>	Check the box(es) that applies:		
<b>a</b>	Household income above income limit upon initial occupancy . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b>	Owner failed to correctly complete or document tenant's annual income recertification . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>c</b>	Violation(s) of the UPCS or local inspection standards including casualty losses (see instructions) (attach explanation)	<input type="checkbox"/>	<input type="checkbox"/>
<b>d</b>	Owner failed to provide annual certifications or provided incomplete or inaccurate certifications . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>e</b>	Changes in Eligible Basis or the Applicable Percentage (see instructions) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>f</b>	Project failed to meet minimum set-aside requirement (20/50, 40/60, average income test) (see instructions) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>g</b>	Gross rent(s) exceeds limits . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>h</b>	Project not available to the general public (see instructions) (attach explanation) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>i</b>	Violation(s) of the Available Unit Rule under section 42(g)(2)(D)(ii) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>j</b>	Violation(s) of the Vacant Unit Rule under Reg. 1.42-5(c)(1)(ix) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>k</b>	Owner failed to execute and record extended-use agreement within time prescribed by section 42(h)(6)(J) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>l</b>	Low-income units occupied by nonqualified full-time students . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>m</b>	Owner did not properly calculate utility allowance . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>n</b>	Owner has failed to respond to agency requests for monitoring reviews . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>o</b>	Low-income units used on a transient basis (attach explanation) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>p</b>	Building is no longer in compliance nor participating in the section 42 program. (Attach explanation.) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>q</b>	Other noncompliance issues (attach explanation) . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
<b>12</b>	Additional information for any line above. Attach explanation and check box . . . . .	<input type="checkbox"/>	<input type="checkbox"/>

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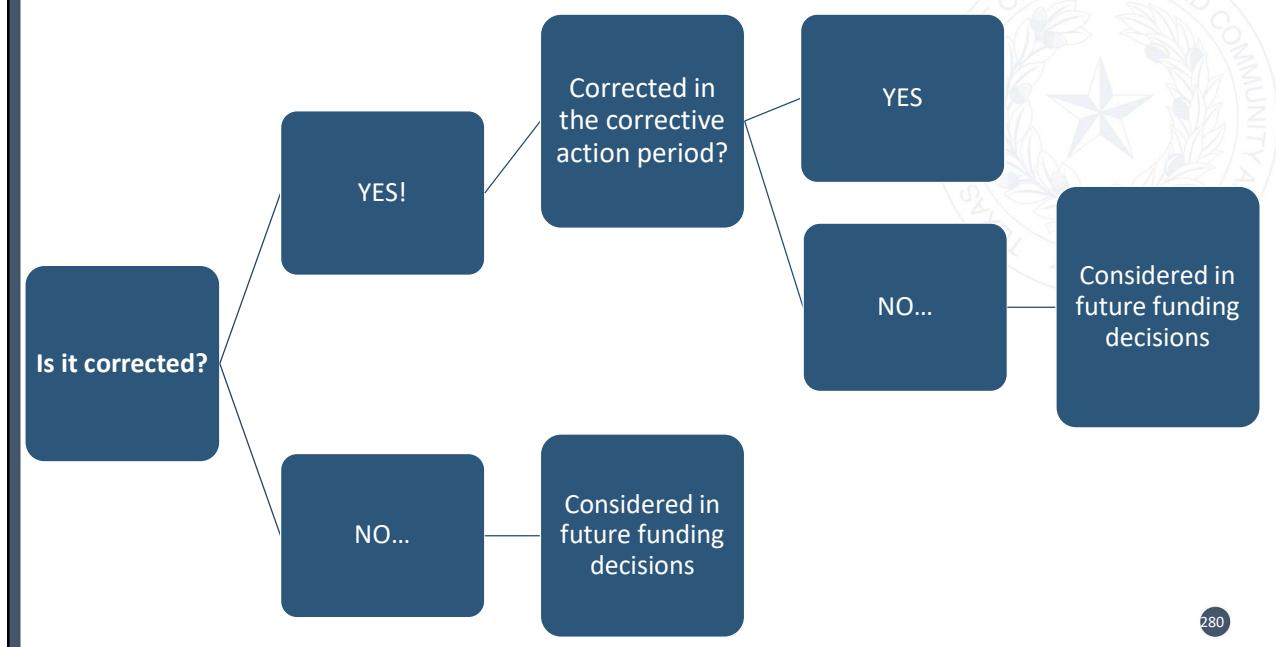
## Form 8823: Types of Noncompliance

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*

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## Noncompliance Status System



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## Monitoring: Learning Point 1

Failure to submit the Annual Owner Compliance Report (AOCR) by April 30<sup>th</sup> will result in an issue of noncompliance. True or false?

- A True
- B False

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## Monitoring: Learning Point 2

If the Development has Certificates of Occupancy and Temporary Certificates; which should be submitted?

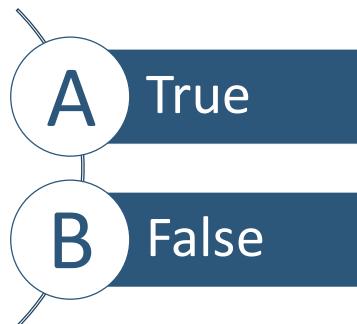
- A Both
- B Neither

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## Monitoring: Learning Point 3

When there are issues of noncompliance the development will be given a 6-month Corrective Action Period?

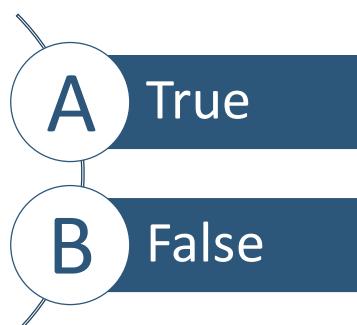


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## Monitoring: Learning Point 4

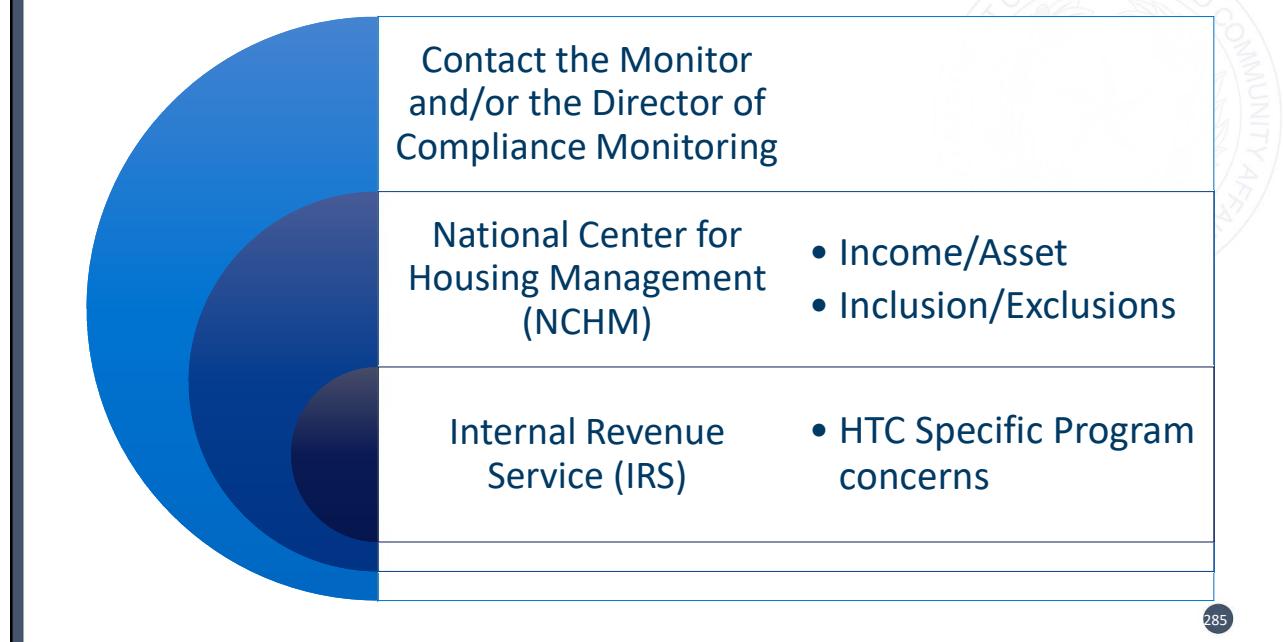
All issues of noncompliance, including violations of State specific requirements, are reported to the IRS on Form 8823?



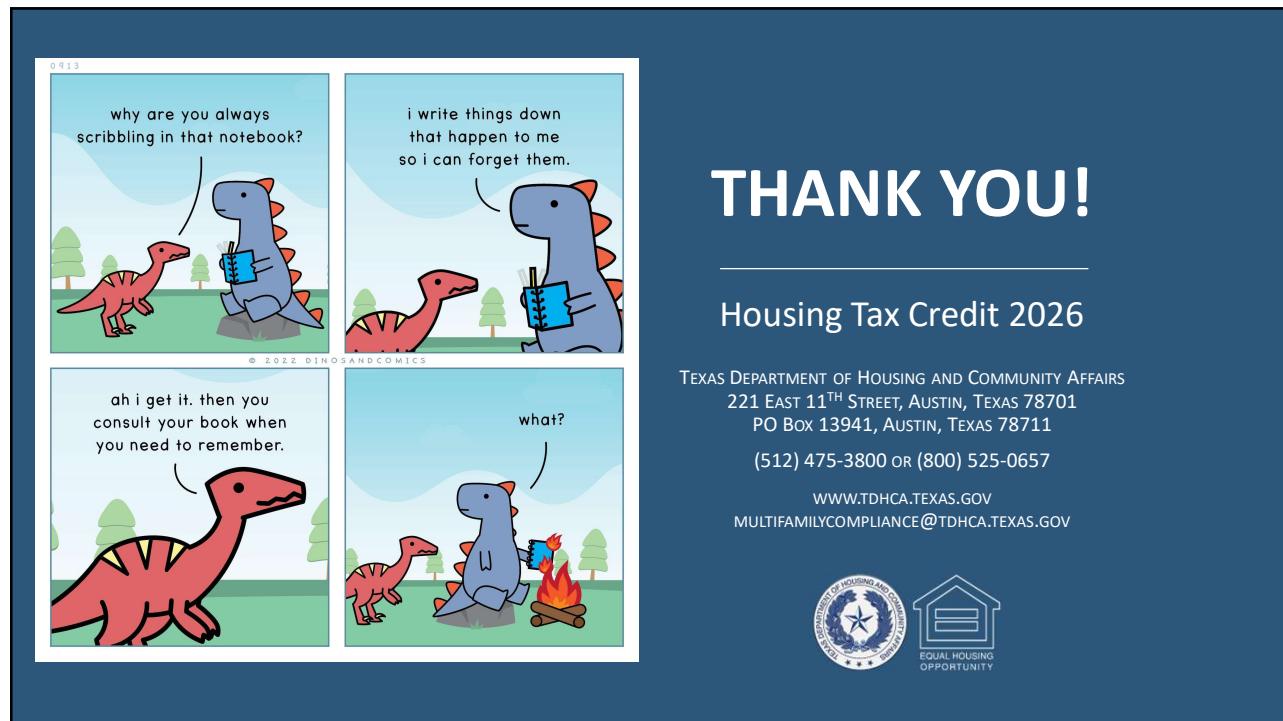
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## What happens if you do not agree?



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