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Contact Information

Mailing Address: TDHCA PO Box 13941 Austin, TX 78711-3941	Physical Address: TDHCA 221 East 11 th Street Austin, TX 78701
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Website: <https://www.tdhca.texas.gov>

Email: multifamilycompliance@tdhca.texas.gov

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



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Announcements

Schedule:

- The webinar and open forum will run from 9:00 am until approximately 11:30 am
- We will take a break mid-morning to shift from the webinar to the open forum
- Staff will be present to answer any questions

Housekeeping:

- Certificates **will not** be emailed but you will receive an email confirming your attendance, usually within 24-hours in an email 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
- We suggest you 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

The screenshot displays the GoTo Meeting Platform interface during a pre-broadcast session. The top status bar shows "No active cameras" and a "Start Broadcast" button. The main content area features a large "0" and the text "Nobody has shared their screen or turned on their camera yet". A central message box reads: "Welcome to the webinar, the presentation will start soon." Below this, it lists "Today's topic: Office Hours and PFC Training for Post June 18, 2023". On the right, a list of participants includes "Manager of Compliance..." and "Christina Thompson". The bottom toolbar contains icons for Record, React (circled in red), Mic, Camera, Share, Tools, Leave, Captions (circled in red), and Pop out. A small "3" is visible in the bottom right corner of the screenshot.

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If You Need Housing Assistance:

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

Phone: (800) 525-0657

Email: info@tdhca.texas.gov

Or visit Help For Texans:

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



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HFC Monitoring

House Bill 21
Effective
May 28, 2025

Tasked TDHCA with compliance monitoring oversight of Housing Finance Corporation Multifamily Residential Developments.



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HFC Monitoring- Definitions



Sponsoring Government(s)

A local government whose governing body has approved, by resolution, the formation and articles of incorporation of a joint Housing Finance Corporation and on whose behalf the corporation can act.

- The governing body of the Sponsoring Government may consist of elected local officials, council members, commissioners etc.



Housing Finance Corporation (HFC)

A public, nonprofit corporation organized under Chapter 394 of the Texas Local Government Code.



HFC User

An entity that has an ownership interest or a leasehold or other possessory interest in multifamily residential development(s) financed or supported by a Housing Finance Corporation.



HFC Multi-family Development/Property

The multifamily residential property subject to Chapter 394 of the Texas Local Government Code, House Bill 21 and TAC §§10.1201-10.1207.

Reporting Requirements



Reporting Requirements

All Housing Finance Corporation (HFC) Multifamily Residential Developments claiming an ad valorem tax exemption must report regardless of when approved or acquired.

Audit Reports are due by June 1, each year for the prior annual occupancy period.

For example: Audit Reports due June 1, 2026, are reporting for the occupancy period January 1, 2025 - December 31, 2025.

HFC Developments that receive low-income housing tax credits allocated under Subchapter DD, Chapter 2306, Government Code, are exempt from reporting requirements under Chapter 394.

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Reporting Requirements

The first Audit Report for a Development must be submitted to the Department no later than **June 1** of the Tax Year following:

- The date of acquisition by the HFC for an occupied Development;
- or**
- The date a newly constructed Development first becomes occupied by one or more tenants.

Completed Audit Reports must be submitted via a Serv-U account.

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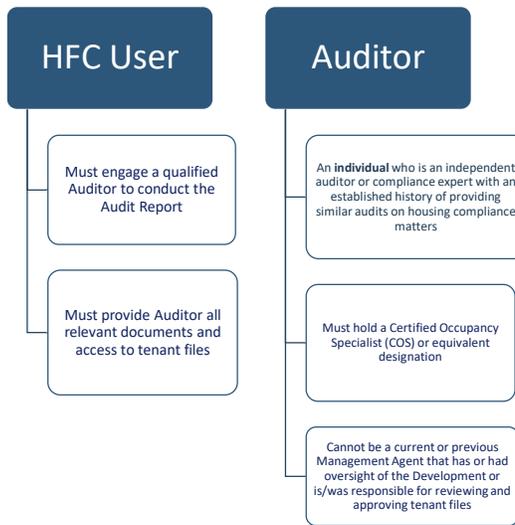
10

Reporting Requirements- Extension Requests



- An Extension request must be submitted to hfc@tdhca.texas.gov no later than May 1 of the current reporting year.
- The request must include a reason and explanation for the request.
- Extensions cannot exceed 60 days after June 1
- The Department will issue a determination within 7 calendar days of receipt of the request.

Reporting Requirements



Reporting Requirements

Annual Service Fee

- Due to the Department by June 1 each year for Developments subject to an Audit Report.
- Payment Method:
 - Check, money order, or online payment system (if available)
 - Payable to the Texas Department of Housing and Community Affairs
 - Include the property name, address and contact information
- Amount is the greater of:
 - \$35 per Restricted Unit included in the required audit sample (§10.1204(2)), or
 - \$500 minimum fee

The service fee is earned upon receipt and not refundable when submitted with an Audit Report.

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Reporting Requirements

All Audit Reports Must:

- Include proof of payment of the Annual Service Fee
- Be for at least the full prior reporting year ending December 31
- Include current contact information for all Responsible Parties
- Be complete and submitted in Excel format to the Department via a Serv-U account
- Include the Regulatory Agreement, Rent Roll and all applicable attachments (see attachments checklist)
- Include a cover Letter (optional but preferred)

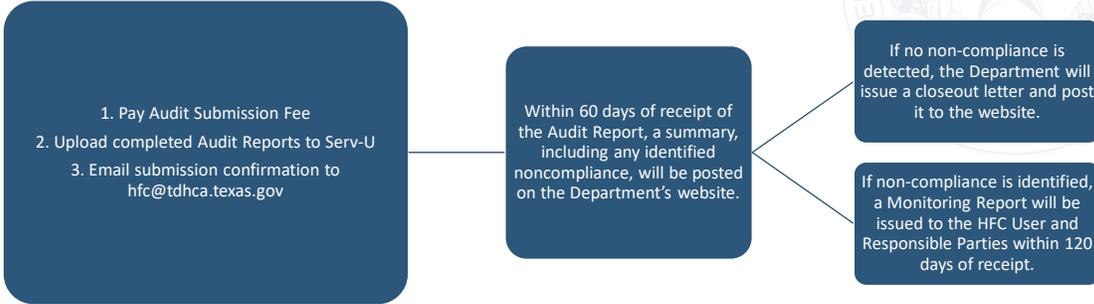
To request a Serve-U account, email TDHCA at hfc@tdhca.texas.gov

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Reporting Requirements

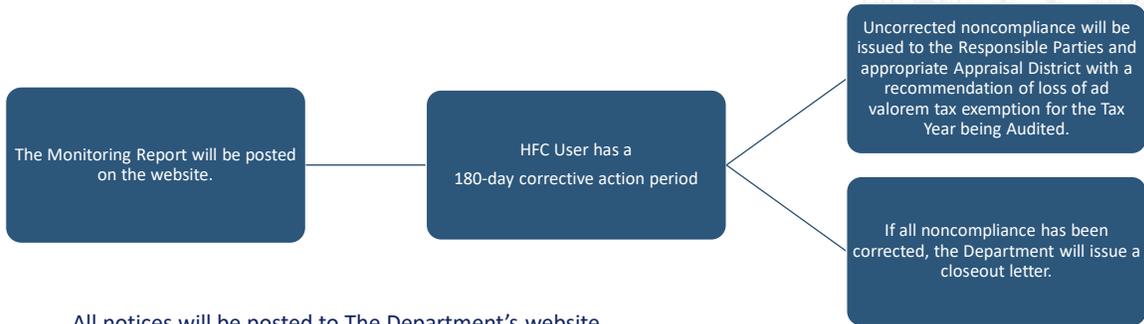
SUBMISSION PROCESS



To request a Serv-U account, email TDHCA at hfc@tdhca.texas.gov

Reporting Requirements

CORRECTIVE ACTION TIMELINE



All notices will be posted to The Department's website.



Audit Requirements

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Audit Requirements



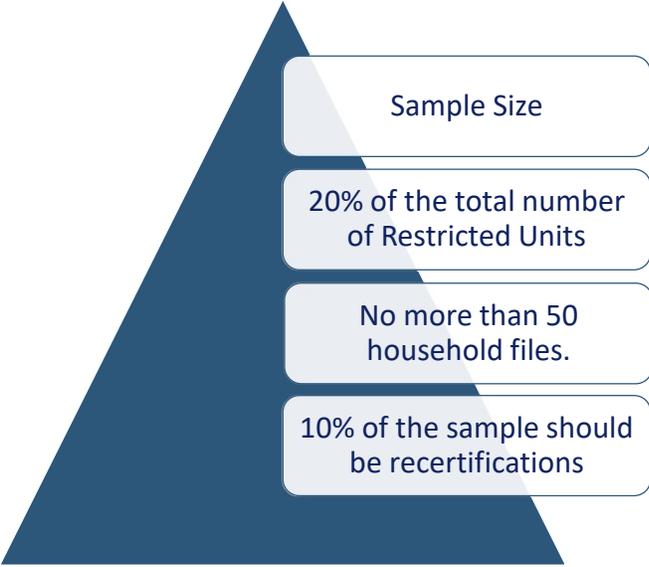
Auditor must use the Audit Workbook (Effective 2026) posted on the Department's website

Original Records must be made available to the Auditor

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Audit Requirements



Development has a total of 240 Units

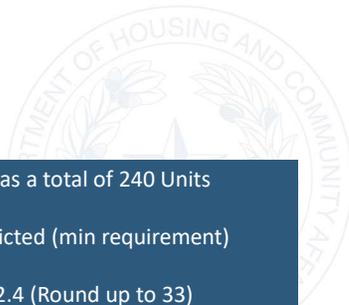
162 Units Restricted (min requirement)

20% of 162 = 32.4 (Round up to 33)

33 is under 50, sample size should be 33 Restricted Units

10% of 33 = 3.3 (Round up to 4)

4 of the 33 units in the sample size should be recertifications.



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Audit Requirements- Jurisdictional Boundaries

Within Sponsor Boundaries

- The Development is located entirely within the geographic boundaries of the municipality or county that authorized and created the Housing Finance Corporation (HFC).
- No additional jurisdictional approval is required under §394.031(d).

Outside Sponsor Boundaries

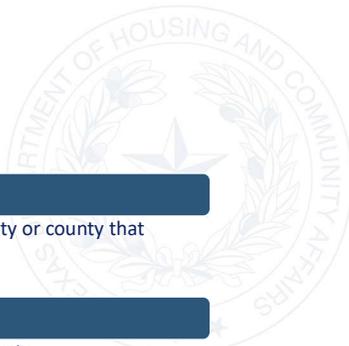
- The Development is located outside the geographic boundaries of the sponsoring municipality or county.

If the Development is outside the sponsor’s boundaries, the original sponsor and the local sponsor’s approval is required:

- Resolution from the sponsoring governing bodies. And/or,
- Official order from the sponsoring government bodies.

Compliance Dates for Developments Outside of Sponsor Boundaries

- Developments acquired on or prior to September 1, 2025, have until January 1, 2027, to reach compliance.



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Audit Requirements- Affirmative Marketing



- Must market all units (restricted & non-restricted) to Housing Choice Voucher households and notify local housing authorities of voucher acceptance.
 - Evidence may include but not limited to, notices to the local housing authority, advertisements at housing authority properties, or mailings to housing authority households.

- Development's website homepage must include information about compliance with Section §394.9026(c)(7), and its policies on accepting voucher program tenants.

Effective Compliance Date

Immediately

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Audit Requirements- Tenant Lease Policies

Effective Compliance Date

Immediately

Each residential lease or lease addendum for a Restricted Unit must provide the following:

- The landlord may not retaliate against the tenant or the tenant's guests by taking action because the tenant established, attempted to establish, or participated in a tenant organization.
- The landlord may only choose to not renew the lease if the tenant:
 - Commits one or more substantial lease violations
 - Fails to provide required information on income, household composition, or eligibility; or
 - Commits repeated minor lease violations that:
 - Disrupt the livability of the Development;
 - Adversely affects the health and safety of any person or the right to quiet enjoyment of the premises or Development facilities;
 - Interfere with the management of the Development; or
 - Have an adverse financial effect on the Development, including failure to pay rent on time.
- To non-renew a lease, the landlord must serve a written notice of proposed nonrenewal to the tenant no later than the 30th day before the effective date of nonrenewal.
- Tenants may not waive these protections in the lease or lease addendum.

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Audit Requirements

HFC Developments acquired **PRIOR TO** May 28, 2025, are not required to meet the **requirements** below until December 31, 2035 (unless a triggering event occurs):

- Equal unit finishes and amenities
- Percentage of Restricted Units by unit type/income category
- Income restriction set-asides (10% + 40% tests)
- Rent restriction ($\leq 30\%$ of imputed income)
- Rent Reduction & Public Benefit Test

A **triggering event** may include but is not limited to:

- Refinancing or restructuring of debt
- Transfer of ownership interest (excluding transfers through inheritance or other exempt transfers)
- An amendment to extend, renew, or modify Development agreements in a manner that materially affects affordability requirements

HFC Developments approved **ON** or **AFTER** May 28, 2025, must comply with **ALL** HFC requirements under TAC §10.1204(3)(A)–(L)

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Audit Requirements- Income Categories

Very Low Income Housing Unit

A unit reserved for occupancy by a household earning not more than 50% AMI, adjusted for family size.

Lower Income Housing Unit

A unit reserved for occupancy by a household earning not more than 60% AMI, adjusted for family size.

Income Limit Categories

Moderate Income Housing Unit

A unit reserved for occupancy by a household earning not more than 80% AMI, adjusted for family size.

Middle Income Housing Unit

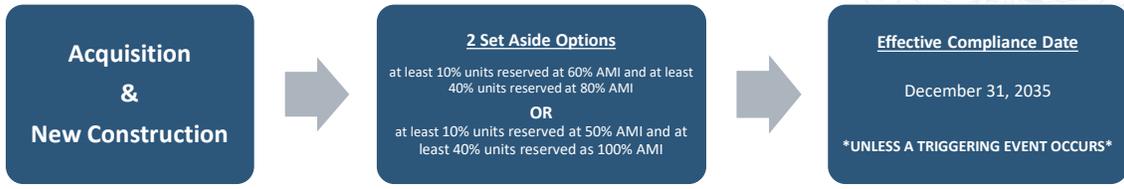
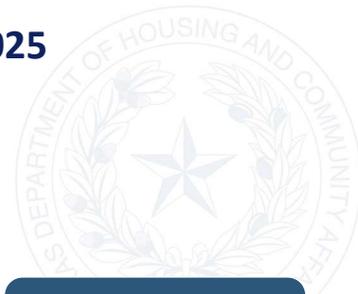
A unit reserved for occupancy by a household earning not more than 100% AMI, adjusted for family size.

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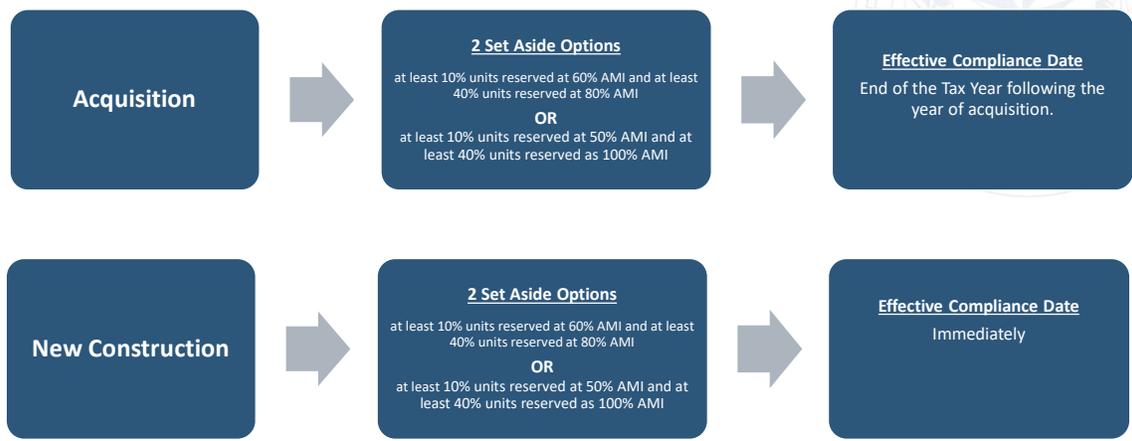
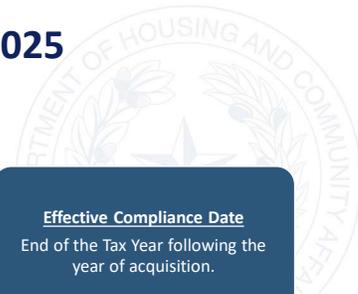
Audit Requirements- Set Asides, Pre-May 28, 2025

HFC Developments approved PRIOR to May 28, 2025



Audit Requirements- Set Asides, Post-May 28, 2025

HFC Developments approved ON OR AFTER May 28, 2025

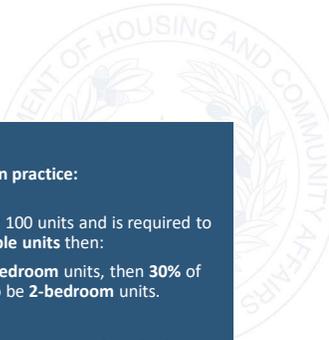


Audit Requirements

The percentage of income-restricted units in each bedroom category (e.g., 1-BR, 2-BR, 3-BR) must be the **same** as the percentage of those income-restricted units in the development as a whole.



How it works in practice:
For example: A development has 100 units and is required to have **50% affordable units** then:
If **30%** of the total units are **2-bedroom** units, then **30%** of *affordable* units must also be **2-bedroom** units.
Further Explained: All affordable units cannot be 1-bedroom units while keeping all 3-bedroom units at market rate.



Effective Compliance Dates	
<u>Pre-May 28, 2025 Developments</u>	<u>Post-May 28, 2025 Developments</u>
December 31, 2035	Immediately
UNLESS A TRIGGERING EVENT OCCURS	

Rent Reduction and Public Benefit Test



Form inside the Workbook and on the Website

Texas Department of Housing and Community Affairs (TDHCA) Effective January 30, 2026

Housing Finance Corporation (HFC) Multifamily Development Rent Reduction and Public Benefit Certification Form
 This form must be completed and certified by the HFC User and submitted to TDHCA as part of the annual Audit Report.

Development Name:
 Development Address:
 County:
 Tax Year Being Reported:
 Development Type: Acquired New Construction

Instructions: For each item, select "Yes" or "No" from the dropdown and provide any requested written information. All sections must be completed.

Rent Reduction Calculation Methodology

For each income-restricted unit, Rent Reduction was calculated as the Maximum Market Rent for the same unit type minus the lease rent shown on the rent roll.

For income-restricted units assisted by rental assistance, the tenant-paid portion of rent was used for the Rent Reduction calculation.

For income-restricted units vacant during the Tax Year, the maximum permitted rent under the Regulatory Agreement was used for each month of vacancy.

For non-income-restricted units used to determine Maximum Market Rent that were vacant during the Tax Year, the Maximum Market Rent for the unit type was used for each month of vacancy.

The Rent Reduction methodology was applied consistently for the entire Tax Year.

Aggregate Rent Reduction Public Benefit Test

Provide the total Rent Reduction for all income-restricted residential units at the Development for the preceding Tax Year.

Provide the estimated amount of ad valorem taxes that would have been imposed on the Development for the same Tax Year if the Development did not receive the exemption.

Provide the minimum required Rent Reduction amount, which is 50 percent of the estimated ad valorem taxes that would have been imposed on the Development for the Tax Year.

Was the total Rent Reduction for the Development for the Tax Year at least 50 percent of the estimated ad valorem taxes that would have been imposed for that Tax Year?

Rent Reduction Shortfall and Payments to Taxing Authorities



Income and Rent Requirements

Income and Rent

Annual Income for a household occupying a Restricted Unit shall be determined consistent with the Section 8 Program administered by the U.S. Department of Housing and Urban Development (HUD), using the definitions of annual income described in 24 CFR §5.609 as further described in the HUD Handbook 4350.3 as amended from time to time by publication in the Federal Register.

Income and rent limits will be derived from data released by HUD.

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Income and Rent

HFC Users must maintain sufficient documentation to support income eligibility of households which includes an application that screens for all includable sources of income and assets, first hand or third party documentation of income and assets and an Income Certification form signed by all adults in the household

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Audit Requirements- Rent Restrictions



Monthly Rent may not exceed 30% of the imputed household HUD income limitation.

Pre-May 28, 2025
Developments

Effective Compliance Date
December 31, 2035
UNLESS A TRIGGERING EVENT OCCURS

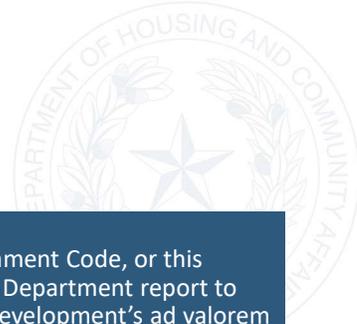
Post-May 28, 2025
Developments

Effective Compliance Date
Immediately

Penalties



Penalty



Noncompliance with Sections 394.9026 or 394.9027 of the Texas Local Government Code, or this Subchapter, after all notice and correction periods have ended, will result in a Department report to the Texas Comptroller and Chief Appraiser and a recommendation of loss of Development's ad valorem tax exemption for the applicable tax year.

Audit Workbook



Audit Workbook

<https://www.tdhca.texas.gov/housing-finance-corporation-compliance-monitoring>

Housing Finance Corporation Compliance Monitoring

HFC Monitoring Regulations

- §10.1201 Purpose and Applicability
- §10.1201 Purpose and Applicability
- §10.1202 Definitions
- §10.1203 Reporting Requirements
- §10.1204 Audit Requirements
- §10.1205 Income and Rent Calculations
- §10.1206 Penalties
- §10.1207 Options for Review
- HB 21
- Chapter 394
- Section 8 Program for income determination and or link to 24 CFR §5.609

Forms

- HFC Audit Workbook
- TIC
- Rent Reduction & Benefit Test Certification Form

Audit Workbook

Legend & Definitions Tab

Texas Department of Housing and Community Affairs Housing Finance Corporation (HFC) Monitoring Workbook	
<p>Reporting Instructions</p> <p>Reports are due annually by June 1 Upload completed Audit Reports to Serv-U Workbook must be submitted in Excel Format</p> <p>Serv-U Access</p> <p>To request a Serv-U account, email TDHCA at hfc@tdhca.texas.gov</p> <p>Workbook Instructions</p> <p>Effective January 30, 2026, this workbook applies exclusively to Housing Finance Corporation (HFC) Multifamily Residential Developments required to comply with Texas Local Government Code §§394.9026-394.9027, as amended by House Bill 21 which became effective on May 28, 2025, and supersedes all prior versions.</p> <p>Instructions:</p> <ul style="list-style-type: none"> • Complete all applicable sections and Tabs in the order listed. • Fill all yellow fields (unless marked "if applicable"). Gray fields auto-populate. • Use drop-down lists where provided (Yes/No/N/A). • Do not modify "Summary" or "List" sections. • Verify all required documentation is included via Tab 8 - Attachments Checklist. • Save and submit via Serv-U. <p>Exempt from Annual Reporting</p> <p>An HFC development is exempt from the annual reporting requirement for any period during which the development is the recipient of a low income housing tax credit allocated under Subchapter DD, Chapter 2306, Government Code.</p> <p>Tab Legend</p> <p>Tab 1: Development Information Responsible Parties Tab 2: Auditor Information Tab 3: Income & Rent Limits Tab 4: Fees Tab 5: Unit & Occupancy Tab 6: Marketing, Vouchers, Tenant Lease & Policies Tab 7: Audit Sample - Household File Check Sheet Tab 8: Audit Attachments Checklist Tab 9: Rent & Public Benefit Test Certification Form</p> <p>Summary: TDHCA USE ONLY Summary & List (Do not complete)</p>	<p>Tab Tips</p> <p>Throughout the Workbook, Tab Tips are provided. These are intended to assist in completing each Tab by clarifying key terms and highlighting important information relevant to the data being entered and should be reviewed prior to entering data on each Tab.</p> <p>Developments approved prior to May 28, 2025 that have not experienced a Triggering Event may have additional time before certain HB 21 requirements apply.</p> <p>Definitions</p> <p>The following definitions are provided for workbook reference only and are not a substitute for the applicable statutes or rules.</p> <p>Housing Finance Corporation (HFC) A public, nonprofit corporation organized under Chapter 394 of the Texas Local Government Code.</p> <p>HFC User The public-private partnership entity, or a developer or other person or entity that has an ownership interest, a leasehold interest, Ground Lease Lessee/Lessor or another possessory interest.</p> <p>HFC's Sponsoring Government The city or county whose governing body authorized and approved the creation of a Housing Finance Corporation under Chapter 394 (and, for a joint corporation, each such city or county), and on whose behalf the corporation is organized to act.</p> <p>HFC Governing Body The decision-making body of the HFC. Commonly this is the Board of Directors, Board Members etc.</p> <p>Management Individuals, organizations, or entities that are responsible for the oversight and daily operations of a HFC Development.</p> <p>Responsible Parties Individuals, organizations, or entities responsible for the operation, compliance, and management of a HFC Development.</p> <p>Regulatory Agreement A Land Use Restriction Agreement (LURA), Ground Lease, Deed Restriction, or any similar restrictive instrument that is recorded in the real property records of the county in which the Development is located or a Partnership Agreement between the HFC and HFC User which is not recorded in the real property records.</p> <p>Income Certification Either the Department approved Income Certification or the Income Certification as required by the Regulatory Agreement. *At lease renewal, the use of the Department-approved Income Certification form is required per §10.1204 (3)(D).</p> <p>Maximum Market Rent: With respect to a particular Restricted Unit Type, the average annual Rent charged for all non-income-restricted units in the Development having the same or substantially similar floor plan as the Restricted Unit Type.</p> <p>Restricted Rent: Occupied units will reflect the highest rent charged for that unit type. Reserved units will reflect the maximum permitted rent.</p> <p>Sample Size The file sample used by the Auditor must contain at least twenty percent (20%) of the total number of Restricted Units for the Development, but no more than a total of fifty (50) household files. The selection of Restricted Units should include at least 75% of households that are newly moved in to the Development, but also include at least 10% of households that have recertified, or if 10% of households have not recertified, then units that have recertified (For Developments that are leasing up and not yet</p>

Audit Workbook

Tab 1 Development Information



Development Contacts									
Enter the Development's current contact information in the yellow fields only. Gray fields auto-populate									
Contact	Type	Organization Name	Individual Contact Name(s) if Applicable	Street Address	City, State & Zip	County	Phone	Email(s)	Website
Property	Property					0	-	0	0
State Comptroller	Texas Comptroller					N/A			
Appraisal District	Appraisal District					N/A			
Auditor Company	Audit Company					N/A			
Management Company	Management					N/A			
HFC	HFC								
HFC User	HFC User								
HFC Sponsor	HFC Sponsor								
HFC Governing Body of Sponsor	HFC Governing Body of Sponsor								
Other Responsible Party	Other								
Other Responsible Party	Select One								

Property Information = All the information pertaining to the actual property.

HFC User = All the information should be the actual information for the owner/user of the property.

Management Company = All the information for the company managing the day-to-day operations at the property.

Audit Workbook

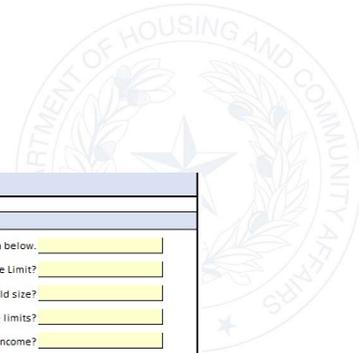
Tab 2 Auditor Information

Auditor Qualifications & Affiliations	
Complete yellow fields only.	
Does the Auditor have a current Certified Occupancy Specialist (COS) or equivalent housing compliance certification?	<input type="text"/>
Has the Auditor provided a resume demonstrating housing compliance audit experience?	<input type="text"/>
Is the Auditor free from any financial, ownership, or management interest in the Development or any Responsible Party?	<input type="text"/>
Is the Auditor currently serving, or has the Auditor previously served, as the Management Agent for this Development?	<input type="text"/>
Has the HFC User complied with the three-year rotation and, if applicable, the two-year cooling-off requirement?	<input type="text"/>
If you answered "No" to any of the questions above, please provide an explanation:	<input type="text"/>

Provide information according to the Auditor's qualifications.

Audit Workbook

Tab 3 Income & Rent Limits

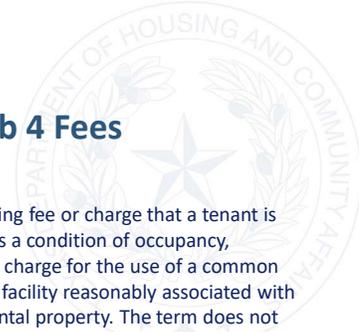


Income & Rents Limits						
All yellow fields must be completed unless otherwise indicated. Enter limits applicable to the audit year.						
Income Limits						
Does the Regulatory Agreement specify income limits? If "Yes" provide them below.						<input type="text"/>
Effective date of Income Limit?						<input type="text"/>
Are the income limits adjusted for household size?						<input type="text"/>
Are the income limits based on HUD income limits?						<input type="text"/>
Did the Development comply with the Available Unit Rule when a household became over-income?						<input type="text"/>
Income Limit by Number of Household Members						
AMI	1	2	3	4	5	6
100%						
80%						
60%						
50%						
Other AMI %						
Other AMI %						
Other AMI %						
Rent Limits						
Does the Regulatory Agreement specify rent limits? If "Yes" provide them below.						<input type="text" value="Select One"/>

Provide information and answer the questions about the Development's Income and Rent Limits

Audit Workbook

Tab 4 Fees



Fees			
All yellow fields must be completed unless otherwise indicated.			
Fees Charged to Income Restricted Tenants			
Does Rent charged to income-restricted tenants include any recurring fees or charges?			<input type="text" value="Select One"/>
If "Yes", are any recurring fees or charges required as a condition of occupancy?			<input type="text" value="Select One"/>
Identify all fees or charges assessed to income-restricted tenants and indicate whether each fee is optional, non-optional, or not applicable.			
Fee	Optional Fee	Non-Optional Fee	Not Applicable
Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sewer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internet	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Garage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carport	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pest Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Storage Unit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Package Locker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Community Fee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amenity Fee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pet Fee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pet Rent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Renter's Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other: [Add here]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other: [Add here]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Rent- Any recurring fee or charge that a tenant is required to pay as a condition of occupancy, including a fee or charge for the use of a common area, amenity, or facility reasonably associated with the residential rental property. The term does not include fees for services or amenities that are optional for a tenant, such as pet fees or fees for storage or covered parking.

For Developments acquired before May 28, 2025, a one-time waiver of this requirement applies for occupancy period 1/1/2025-12/31/2025.

Audit Workbook

Tab 5 Units and Occupancy

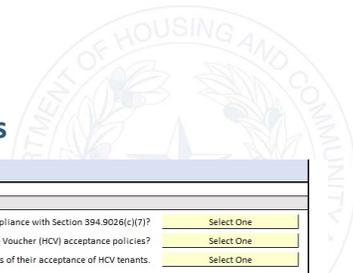


Units, Occupancy & Set Aside																														
Complete yellow fields only. Gray fields auto-populate.																														
Units & Occupancy																														
Enter Restricted Units (designated, reserved, and/or occupied) and Non-Restricted (Market) Units. Totals must reconcile: Restricted + Non-Restricted = Total Units																														
<table border="1"> <tr> <th>Total Units (All)</th> </tr> <tr> <td>0</td> </tr> <tr> <td><small>(Restricted + Unrestricted Units)</small></td> </tr> </table>	Total Units (All)	0	<small>(Restricted + Unrestricted Units)</small>	<table border="1"> <thead> <tr> <th colspan="2">Unit Designation (By Restriction)</th> </tr> <tr> <th>Unit Type</th> <th>Unit Count</th> </tr> </thead> <tbody> <tr> <td>Restricted</td> <td></td> </tr> <tr> <td>Non-Restricted (Market)</td> <td></td> </tr> <tr> <td>Total Units (All)</td> <td>0</td> </tr> </tbody> </table>	Unit Designation (By Restriction)		Unit Type	Unit Count	Restricted		Non-Restricted (Market)		Total Units (All)	0	<table border="1"> <thead> <tr> <th colspan="3">Occupancy Status</th> </tr> <tr> <th>Occupancy Status</th> <th>Restricted Unit Count</th> <th>Market Unit Count</th> </tr> </thead> <tbody> <tr> <td>Occupied Units</td> <td></td> <td></td> </tr> <tr> <td>Vacant Units</td> <td></td> <td></td> </tr> <tr> <td>Total Units (All)</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Occupancy Status			Occupancy Status	Restricted Unit Count	Market Unit Count	Occupied Units			Vacant Units			Total Units (All)	0	0
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Occupied Units																														
Vacant Units																														
Total Units (All)	0	0																												
Set-Aside																														
Pre- or Post-May 28, 2025 HFC Development?	<input type="text"/>																													
Development Type	<input type="text"/>																													
Date first occupied by one or more tenants?	<input type="text"/>																													
Is the Development currently in lease up?	<input type="text" value="Select One"/>																													
Do Restricted Units have comparable square footage and floor plans as Non-Restricted Units?	<input type="text" value="Select One"/>																													
Are Restricted Units equal in finishes and equipment to Non-Restricted units?	<input type="text" value="Select One"/>																													
Do Restricted Units have equal amenity and program access as Non-Restricted Units?	<input type="text" value="Select One"/>																													
Set-Aside - Select																														
Option 1:																														
At least 10% of units reserved for HH not earning more than 60% AMI	<input type="text" value="Select One"/>																													
At least 40% of units reserved for HH not earning more than 80% AMI	<input type="text" value="Select One"/>																													
Option 2:																														
At Least 10% of units reserved for HH not earning more than 50% AMI	<input type="text" value="Select One"/>																													
At least 40% of units reserved for HH not earning more than 100% AMI	<input type="text" value="Select One"/>																													

Provide information and answer all questions about units and occupancy.

Audit Workbook

Tab 6 Marketing, Vouchers, Tenant Lease & Policies



Marketing, Vouchers, Tenant Lease & Policies	
All yellow fields must be completed unless otherwise indicated.	
Marketing	
Does the Development's website include information about the Development and its compliance with Section 394.9026(c)(7)?	<input type="text" value="Select One"/>
Does the website include Housing Choice Voucher (HCV) acceptance policies?	<input type="text" value="Select One"/>
The Development affirmatively markets both Restricted and non-Restricted Units to Housing Choice Voucher (HCV) households and notify local housing authorities of their acceptance of HCV tenants.	<input type="text" value="Select One"/>
Vouchers	
Does the HFC User refrain from refusing to rent to households solely due to participation in the Housing Choice Voucher (HCV) program?	<input type="text" value="Select One"/>
Do leasing and screening policies avoid any provision that prohibits or discourages HCV participation?	<input type="text" value="Select One"/>
Does the Development avoid imposing a minimum income requirement on HCV households exceeding 250% of the tenant-paid portion of rent?	<input type="text" value="Select One"/>
If an HCV household occupies a Restricted Unit and the voucher payment standard is below the approved rent, is the household charged only the allowable difference?	<input type="text" value="Select One"/>
Did the Auditor review evidence of HCV marketing material consistent with Sections 394.9026?	<input type="text" value="Select One"/>
How many Restricted Units are occupied by HCV (Section 8) households?	<input type="text"/>
Lease & Policies	
Does the Development provide tenants with at least 30 days' written notice of non-renewal?	<input type="text" value="Select One"/>
Do lease agreements prohibit tenants from waiving required protections?	<input type="text" value="Select One"/>
Do Restricted Unit lease agreements prohibit retaliation against tenants or the tenant's guests for taking action because the tenant established, attempted to establish, or participated in a tenant organization?	<input type="text" value="Select One"/>
Does the lease restrict non-renewals to major violations, failure to provide required income information, or repeated disruptive violations affecting livability, safety, quiet enjoyment, management, or finances (including late rent)?	<input type="text" value="Select One"/>
Observations	
Did the Auditor observe or provide technical assistance related to units, occupancy, rent differences, or set-asides?	<input type="text" value="Select One"/>
If "Yes", list details of any observations, technical assistance, or noncompliance provided.	<input type="text"/>

Provide information and answer all questions about marketing, vouchers, tenant leases and policies.

Audit Workbook

Tab 7 Audit File Sample



	Unit #	Unit Designation	# Beds	Tenant Name	New Move-In or Recertification	Move-In Date	Income Certified Prior to Move-In (Yes/No)	# of HH Members	Income Cert Executed by HH? (Yes/No)	Verification of Income? (Yes/No)	Assets Verified? (Yes/No)
Example	101	80%	2	Smith	Move-In	04/12/2024	No	5	Yes	Yes	Yes
1											
2											
3											
4											
5											
6											
7											
8											
9											

Required Sample Size

At least twenty percent (20%) of the total number of Restricted Units for the Development, but no more than a total of fifty (50) household files. The selection of Restricted Units should primarily be new move-ins but should also include at least ten percent (10%) sample of all the household files that have recertified.

For Developments that are leasing up and not yet fully occupied the percentages should be applied to all occupied Restricted Units.

Audit Workbook



Tab 8 Audit Attachments

Required Audit Attachments §10.1203 Reporting Obligations		
The following items must be submitted with the Audit Report. Indicate "Included" or "N/A" for each item.		
Included	N/A	List of Attachments
<input type="checkbox"/>		A Land Use Restriction Agreement (LURA), Ground Lease, Deed Restriction, or any similar restrictive instrument.
<input type="checkbox"/>	<input type="checkbox"/>	Board meeting minutes, public hearing transcript, or adopted resolution, or other document evidencing approval of the Development (if applicable)
<input type="checkbox"/>	<input type="checkbox"/>	If the Development is located outside the Sponsor's jurisdictional boundaries, attach the approving resolution or order from the governing body where the Development is located. <i>Note: For out-of-boundary Developments acquired on or before September 1, 2025, approval documentation is not required until January 1, 2027.</i>
<input type="checkbox"/>	<input type="checkbox"/>	Underwriting Assessment (if applicable)
<input type="checkbox"/>		Service Fee Payment and/or Proof of Payment (\$35/restricted unit that is required in the Audit Sample or \$500 whichever is greater)
<input type="checkbox"/>		Texas Comptroller Exemption Application
<input type="checkbox"/>	<input type="checkbox"/>	Audit Extension Requested and Approval (if applicable)
<input type="checkbox"/>	<input type="checkbox"/>	If a triggering event occurred during the reporting period or any prior Tax Year, attach supporting documentation.
<input type="checkbox"/>		Income and rent limits used by the Development for the current year and the year prior to the audit year (if applicable).
<input type="checkbox"/>		Rent roll Issued for this Audit Report (full report year), clearly identifying Restricted Units and any Unrestricted Units (Market)
<input type="checkbox"/>	<input type="checkbox"/>	Rent Reduction & Public Benefit Test (if applicable). Not applicable to Pre-May 28, 2025 until December 31, 2035 for Developments unless a Triggering Event has occurred.
<input type="checkbox"/>	<input type="checkbox"/>	Evidence of estimated of valorem taxes

Confirm all required Audit attachments are included with the Audit Report.

All Audit Reports Must:

- Include proof of payment of the Annual Service Fee
- Be for at least the full prior reporting year ending December 31
- Include current contact information for all Responsible Parties
- Be complete and submitted in Excel format to the Department via a Serv-U account
- Include the Regulatory Agreement, Rent Roll and all applicable attachments (see attachments checklist)
- Include a cover Letter (optional but preferred)

To request a Serve-U account, email TDHCA at hfc@tdhca.texas.gov

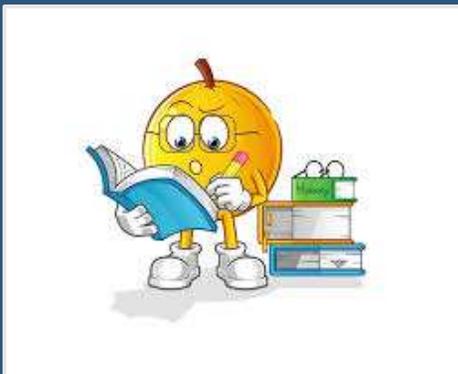
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Thank you!

Texas Department of Housing and
Community Affairs

RESOURCES CAN BE FOUND ONLINE AT TDHCA.TEXAS.GOV.



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