



# Housing Finance Corporation-Owned Multifamily Residential Development Exemption Application

Form 50.849 (05/26)

**GENERAL INFORMATION:** This application applies to a multi-family residential development owned by a housing finance corporation pursuant to Local Government Code Chapter 394.

**FILING INSTRUCTIONS:** File this application and all supporting documentation with the Texas Department of Housing and Community Affairs and the appraisal district in each county in which the development is located. **Do not file this form with the Texas Comptroller of Public Accounts.**

Name of property development/apartment name \_\_\_\_\_ HCAD Account Number (if known) \_\_\_\_\_ Tax Year \_\_\_\_\_

## SECTION 1: Housing Finance Corporation

Housing Finance Corporation Name \_\_\_\_\_ Federal Tax I.D. Number\* \_\_\_\_\_

Physical Address, City, State, ZIP Code \_\_\_\_\_

Primary Phone Number (area code and number) \_\_\_\_\_ Email Address\*\* \_\_\_\_\_

Mailing Address, City, State, ZIP Code (if different from the physical address provided above) \_\_\_\_\_

## SECTION 2: Authorized Representative

**If you are an individual property owner filing this application on your own behalf, skip to Step 3; all other applicants are required to complete Step 2.**

Please indicate the basis for your authority to represent the property owner in filing this application:

- Officer of the housing finance corporation     General Partner of the housing finance corporation     Attorney for housing finance corporation
- Agent for tax matters appointed under Tax Code Section 1.111 with completed and signed Form 50-162
- Other and explain basis: \_\_\_\_\_

Name of Authorized Representative \_\_\_\_\_ Driver's License, Personal I.D. Certificate, Social Security Number or Federal Tax I.D. Number\* \_\_\_\_\_

Title of Authorized Representative \_\_\_\_\_ Primary Phone Number (area code and number) \_\_\_\_\_ Email Address\*\* \_\_\_\_\_

Mailing Address, City, State, ZIP Code \_\_\_\_\_

## SECTION 3: Property Information

1. Is the property's purpose for residential development? .....  Yes  No
2. Provide the property's acquisition date \_\_\_\_\_  
(mm/dd/yyyy)
3. Is the multifamily residential development the recipient of a low-income housing tax credit under Government Code Chapter 2306, Subchapter DD? .....  Yes  No
4. Is the percentage of each of income-restricted housing unit category (very low/lower/moderate/middle) in the development the same as the percentage of each category of income-restricted residential units reserved in the development as a whole? .....  Yes  No
5. Is the property located in an area in which the housing finance corporation is authorized to own real property or engage in residential development under Local Government Code Section 394.031(c) or (d)? .....  Yes  No
6. Is at least 90 percent of the development used or intended to be occupied by low- and moderate-income households? .....  Yes  No

**SECTION 3: Property Information (continued)**

- 7. Do all housing units, both income-restricted and non-income-restricted, have the same finishes, equipment, access to community amenities and community programs?  Yes  No
- 8. Does the monthly rent per unit not exceed:
  - a. 30 percent of 50 percent of the area median income for very low-income housing units;
  - b. 30 percent of 60 percent of the area median income for low-income housing units;
  - c. 30 percent of 80 percent of the area median income for moderate income housing units; and
  - d. 30 percent of 100 percent of the area median income for middle income housing units.  Yes  No

**SECTION 4: Housing Finance Corporation Information**

- 1. Is the housing finance corporation sponsored by a:  Municipality  More than one local government?
- 2. Did the housing finance corporation or its sponsoring local government(s) conduct or obtain an underwriting assessment of the proposed development no earlier than 180 days before the board resolution date?  Yes  No
- 3. Did the housing finance corporation publish the underwriting assessment on its website?  Yes  No
- 4. Did the housing finance corporation or its sponsoring local government(s) estimate the total annual rent reduction applicable to the development will not be less than 50 percent of the amount of estimated ad valorem taxes that would be imposed on the property in the same tax year if the property did not receive an exemption:
  - a. for a development that is acquired by the corporation, of the third, fourth and fifth tax years after the tax year that the corporation acquires the development; and
  - b. for a newly constructed development not described above, each of the first, second and third tax years after the tax year in which the development first achieves an occupancy rate of 90 percent?  Yes  No
- 5. Did the housing finance corporation refuse to rent to an individual or family participating in the housing choice voucher program or imposed a financial or minimum income requirement that exceeded 250 percent of the tenant's share of the monthly rent?  Yes  No
- 6. Did the housing finance corporation include lease provision prescribed in Local Government Code 394.9026(c)(9)?  Yes  No
- 7. Did the housing finance corporation publish the policies regarding tenant participation in the housing choice voucher program to its website?  Yes  No
- 8. Did the housing finance corporation market available residential units directly to individuals and families participating in the housing choice voucher program, and notify local housing authorities of the development's acceptance of tenants in the housing choice voucher program?  Yes  No

**SECTION 5: Resolution Information**

- 1. Did the corporation's board of directors adopt a resolution approving the multifamily residential development?  Yes  No

Attach a copy of the approved resolution

**SECTION 6: Certification and Signature**

**If you make a false statement on this form, you could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10.**

I, \_\_\_\_\_, swear or affirm the following:

Printed Name of Property Owner or Authorized Representative

- 1. that each fact contained in this application is true and correct;
- 2. that the property described in this application meets the qualifications under Texas law for housing finance corporations pursuant to Local Government Code Chapter 394 claimed

**sign here** ➔

\_\_\_\_\_  
Signature of Property Owner or Authorized Representative

\_\_\_\_\_  
Date

\* If the property owner is a company or other legal entity (not an individual), the Federal Tax I.D. Number is to be provided. Except as authorized by Tax Code Section 11.48(b), Social security number disclosure may be required for tax administration and identification (42 U.S.C. §405(c)(2)(C)(i); Tax Code §11.43(f)). A driver's license number, personal identification number or social security number disclosed in an exemption application is confidential and not open to public inspection, except as authorized by Tax Code §11.48(b).

\*\* May be confidential under Government Code §552.137; however, by including the email address on this form, you are affirmatively consenting to its release under the Public Information Act..

# Important Information

## GENERAL INFORMATION

This application applies to multi-family residential developments owned by housing finance corporations pursuant to Local Government Code Chapter 394.

Under Local Government Code Section 394.9027(b), a housing finance corporation or housing finance corporation user that claims an ad valorem tax exemption for a multifamily residential development must annually submit to the Texas Department of Housing and Community Affairs an audit report for a compliance audit.

The housing finance corporation may not retaliate against a tenant or tenant's guests by taking specific actions because the tenant established or attempted to establish, or participated in a tenant organization.

## FILING INSTRUCTIONS

File this application and all supporting documentation with the Texas Department of Housing and Community Affairs and the chief appraiser in each county in which the development is located. **Do not file this document with the Texas Comptroller of Public Accounts.** Contact information for appraisal district offices is located on the Comptroller's website.

## SUPPORTING DOCUMENTATION

The resolution adopted by the housing finance corporation's board of directors.

Any other supporting documentation requested by the Texas Department of Housing and Community Affairs or the chief appraiser from the appraisal district in which the development is located.

## NON-QUALIFIERS

A multifamily residential development acquired by the housing finance corporation before May 28, 2025 is not eligible for an exemption under Local Government Code Section 394.906, unless the housing finance corporation comes into compliance no later than Jan. 1, 2026, pursuant to Local Government Code Section 394.9026.

A multifamily residential development owned by a housing finance corporation, or a housing finance corporation user is not entitled to an ad valorem tax exemption for any given tax year in which the corporation or the housing finance corporation user:

- is not in compliance with any provisions of Local Government Code Section 394.9026(c) and;
  - notice requirements in Local Government Code Section 394.9027(d) have been fulfilled; and
  - the noncompliance is not resolved to the Texas Department of Housing and Community Affairs' satisfaction within 180 days after the date written notice of noncompliance is received or
- has not timely submitted the audit report required by Tax Code Section 394.9027

A conservation or reclamation district created under Texas Constitution Article III, Section 52 or Article XVI, Section 59 that provides water, sewer or drainage service to the development, unless the applicable corporation has entered into a written agreement with the district to make a payment to the district in lieu of taxation, in the amount specified in the agreement; or an emergency services district created under Health and Safety Code Chapter 775, unless the applicable corporation has entered into a written agreement with the district to make a payment to the district in lieu of taxation, in the amount specified in the agreement.

# Definitions (Local Government Code Sec. 394.9026)

The housing finance corporation must use the definition of **annual income** as described in title 24 of the Code of Federal Regulations, Section 5.609, as implemented by the United States Department of Housing and Urban Development.

**Housing Choice Voucher Program:** is as defined under title 42 of the U.S. Code, Section 1437(f).

## Housing finance corporation user:

- a housing finance corporation; or
- for a multifamily residential development that is not owned directly by a housing finance corporation, public-private partnership entity or developer or other person or entity that has an ownership interest in a leasehold or other possessory interest in multifamily residential development financed or supported by a housing finance corporation.

**Lower-income housing unit:** a residential unit reserved for occupancy by an individual or family earning not more than 60 percent of the area median income, adjusted for family size, as defined by the United States Department of Housing and Urban Development.

**Maximum market rent:** with respect to a particular income-restricted unit, the average annual rent charged for all non-income-restricted units in the development having the same or substantially similar floor plan as the income-restricted unit.

**Middle-income housing unit:** a residential unit reserved for occupancy by an individual or family earning not more than 100 percent of the area median income, adjusted for family size, as defined by the United States Department of Housing and Urban Development.

**Moderate-income housing unit:** a residential unit reserved for occupancy by an individual or family earning not more than 80 percent of the area median income, adjusted for family size, as defined by the United States Department of Housing and Urban Development.

**Multifamily residential development:** is any residential development consisting of four or more residential units intended for occupancy as rentals, regardless of whether the units are attached or detached.

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

**Rent reduction:** the projected difference between the rent charged for an income-restricted unit and the maximum market rent that could be charged for that same unit without the income restrictions.

**Very low-income housing unit:** a residential unit reserved for occupancy by an individual or family earning not more than 50 percent of the area median income, adjusted for family size, as defined by the United States Department of Housing and Urban Development.