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## Contact Information

<b>Mailing Address:</b> TDHCA PO Box 13941 Austin, TX 78711-3941	<b>Physical Address:</b> TDHCA 221 East 11 <sup>th</sup> Street Austin, TX 78701
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**Website:** <https://www.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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## Department Resources

- **Compliance Forms**
  - <https://www.tdhca.texas.gov/compliance-forms>
- **Manuals and Rules**
  - <https://www.tdhca.texas.gov/compliance-manuals-and-rules>
- **Utility Allowance Information**
  - <https://www.tdhca.texas.gov/compliance-utility-allowance-information>
- **Income and Rent Limits**
  - <https://www.tdhca.texas.gov/income-and-rent-limits>
- **Compliance Presentations**
  - <https://www.tdhca.texas.gov/compliance-program-training-presentations>
- **Contact List**
  - <https://www.tdhca.texas.gov/compliance-division-staff>

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## Program Acronyms

- Housing Tax Credit Program (**HTC**)
- Tax Credit Assistance Program (**TCAP**)
- Tax Credit Exchange Program (**Exchange**)
- Tax Exempt Bonds (**BOND**)
- Texas Housing Trust Fund (**THTF**), including Preservation
- National Housing Trust Fund (**NHTF**)
- HOME Investment Partnerships Program (**HOME**), including HOME Match Units
- HOME American Rescue Plan (**HOME-ARP**)
- Tax Credit Assistance Program Repayment Funds (**TCAP RF**)
- Neighborhood Stabilization Program (**NSP**)
- Section 811 Project Rental Assistance (**811 PRA** or **811**) Program



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## Terms and Acronyms

- **Land Use Restriction Agreement (LURA)**
- **Unit Status Report (USR)**
- **Compliance Monitoring & Tracking System (CMTS)**
- **Transfer**
  - A low-income household moves from one unit in an affordable housing project to another unit in the same HTC project. Programs other than HTC consider the whole development as one project.
- **Move-In**
  - A low-income household moves into a \*new\* HTC project from another project or location.
- **Move-Out**
  - A low-income household moves out of the \*old\* HTC project and into another project or location.
- **Re-Syndication**
  - Adding new funds to an existing development which is still regulated under a LURA.
- **Acquisition and Rehabilitation (Acq./Rehab)**
  - Adding new funds to a property which was not previously funded under a LURA, or when the old LURA has expired.
- **Form(s) 8609 – HTC programs**
- **Written Policies and Procedures (WPP)**

A transfer is not the same thing  
as a move-in/move-out!

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## Building Identification Number (BIN): HTC Programs

- When we refer to a building in this webinar it is synonymous with a BIN and will be treated as such during a monitoring review.

**Building Identification Number:** A Building Identification Number (BIN) is assigned by the state agency to every building receiving an allocation of IRC §42 credit, or, as described in IRC §42(h) (4), financed with tax exempt bonds subject to the volume cap under IRC §146. BINs consists of a two character state designation (the postal state abbreviation) followed by a two digit designation identifying the year the credit is allocated, and a five digit numbering designation. The BIN is unique to the building and must be used for all allocations of credit. Notice 1988-91.

[https://www.irs.gov/pub/irs-ut/irc42\\_low\\_income\\_housing\\_credit\\_atg\\_part\\_9.pdf](https://www.irs.gov/pub/irs-ut/irc42_low_income_housing_credit_atg_part_9.pdf)



BINs; not just for buildings!

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## Over-Income Household (OI)

- A household, in an HTC program unit, goes over-income (OI) when/if their annual certified income is over 140% of the applicable designation.
  - 20% at 50% would go OI when a household is 140% of the 50% limit
  - 40% at 60% would go OI when a household is 140% of the 60% limit
  - Average Income would go OI in a 20%, 30%, 40%, 50% or 60% unit when a household is 140% of the 60% limit and when a 70% or 80% goes over 140% of the applicable limit
- A household, in a HOME program unit is OI when the household income is over the 80% HOME limit.
- A household, in an NHTF program unit, is OI when the household income is over the 30% NHTF limit.

Going over the designation  
does not make a household OI

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## The Texas Administrative Code – “The Rules”

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### 10 TAC §10.616 HTC, Exchange and TCAP Transfers

(a) The requirements and restrictions regarding household transfers for HTC, Exchange, and TCAP Developments are based on whether the tax credit project is 100% low-income or mixed income and if the Owner elected to treat buildings in the project as part of a multiple building project. To determine if a development is a multiple building project, refer to the election on IRS Form(s) 8609 line 8(b) and accompanying statements (if any). If IRS Form(s) 8609 have not yet been issued by the Department and filed by the Owner, each building is its own project. The Department may allow Owners to indicate their intended 8(b) elections and will monitor accordingly. Failure to file the same elections with the IRS may result in noncompliance, additional monitoring, an additional monitoring fee and findings of noncompliance.

(1) **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 household does not need to be and should not be certified at the time of transfer. The move in date remains the date the household was first designated under the program.

(2) **Each building 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 transfer, 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 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.

(3) **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.

(d) Household Transfers in the Same Building for the HTC Programs: A household may transfer to a new unit within the same building (for the HTC program within the meaning of IRS Notice 88-91). **The Unit designations will swap status.**

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## 10 TAC §10.616 All Other Program Transfers

(b) Household transfers for BOND, THTF, NHTF, HOME, TCAP RF, NSP, and HOME-ARP with **floating units**, households may transfer to any unit within the development. A certification is not required at the time of transfer. If the household transfers to a different unit type, the development must maintain the unit type dispersion as reflected in its LURA, by re-leasing the vacated unit to a program eligible household. If the development is required to perform annual income recertifications, the recertification is due on the anniversary date the household originally moved into the development. If the development is layered with Housing Tax Credits, use the transfer guidelines described in subsection (a) of this section (previous slide).

(c) Household transfers for NHTF, HOME, TCAP RF, NSP, and HOME-ARP with **fixed units**. Households may transfer to any unit and do not need to be certified at the time of the transfer. If the household transfers to a unit that is not fixed, the Development must re-lease the vacated unit to a program eligible household. If the development is required to perform annual income recertifications, the recertification is due on the anniversary date the household originally moved into the development. If the development is layered with Housing Tax Credits, use the transfer guidelines described in subsection (a) of this section (previous slide).

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## 10 TAC §10.623 HTC, Exchange and TCAP – Post-15 Transfers

(c) After the first 15 years of the Extended Use Period, all households, regardless of income level or 8609 elections, will be allowed to transfer between buildings within the development.



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## 10 TAC §10.624 811 PRA Units Transfers

(c) Program and property requirements: Household unit transfer requirements for the 811 PRA program, tenants may transfer to any unit within the development with prior Department approval. At the time of a transfer, Owners must complete a HUD-50059-A, which may adjust rents. Although a certification of annual income may be required for other layered programs, a HUD-50059 and income certification should not be conducted at the time of transfer for the 811 PRA program. Annual recertifications are due on the anniversary date the household originally moved into the Development. Households that are under-housed or over-housed may be required to transfer to comply with occupancy requirements.

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## 10 TAC §10.802 Written Policies and Procedures


(c) Reasonable Accommodations Policy: Owners must maintain a written Reasonable Accommodations policy. The policy must be maintained at the Development. Owners are responsible for ensuring that their employees and contracted third party management companies are aware of and comply with the reasonable accommodation policy.

(1) The policy must provide:

- (A) Information on how an applicant or current resident with a disability may request a reasonable accommodation;
- (B) How **transfers** related to a reasonable accommodation will be addressed; and
- (C) A timeframe in which the Owner will respond to a request that is compliant with §1.204(b)(3) and (d) of this title (relating to Reasonable Accommodations).

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## HTC, Exchange and TCAP Transfers

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### HTC, Exchange and TCAP: 8609 Elections; Multiple Building Project



**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	445,000
8a Original qualified basis of the building at close of first year of credit period	8a	445,000

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

**9a** If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?  Yes  No

**b** For market-rate units above the average quality standards of low-income units in the building, do you elect to reduce eligible basis by disproportionate costs of non-low-income units under section 42(d)(3)(B)?  Yes  No

**10** Check the appropriate box for each election.  
**Caution:** Once made, the following elections are irrevocable.

**a** Elect to begin credit period the first year after the building is placed in service (section 42(f)(1))  Yes  No

**b** Elect **not** to treat large partnership as taxpayer (section 42(j)(5))  Yes  No

**c** Elect minimum set-aside requirement (section 42(g)) (see instructions):  
 20-50  40-60  Average income  25-60 (N.Y.C. only)

**d** Elect deep rent skewed project (section 142(d))

Project Election for Pandora Springs

BIN	Eligible Basis	Address
TX2520201	\$445,000	221 E. 11 <sup>th</sup> Street, Austin, TX
TX2520202	\$445,000	221 E. 11 <sup>th</sup> Street, Austin, TX
TX2520203	\$445,000	221 E. 11 <sup>th</sup> Street, Austin, TX
TX2520204	\$445,000	221 E. 11 <sup>th</sup> Street, Austin, TX
TX2520205	\$445,000	221 E. 11 <sup>th</sup> Street, Austin, TX

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## HTC, Exchange and TCAP: 8609 Elections; Individual Building Project

<b>Part II First-Year Certification</b> —Completed by Building Owners with respect to the First Year of the Credit Period	
<b>7</b> Eligible basis of building (see instructions)	<b>7</b> 445,000
<b>8a</b> Original qualified basis of the building at close of first year of credit period	<b>8a</b> 445,000
<b>b</b> Are you treating this building as part of a multiple building project for purposes of section 42 (see instructions)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>9a</b> If box 6a or box 6d is checked, do you elect to reduce eligible basis under section 42(i)(2)(B)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>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
<b>10</b> Check the appropriate box for each election. <b>Caution:</b> Once made, the following elections are irrevocable.	
<b>a</b> 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>b</b> Elect <b>not</b> to treat large partnership as taxpayer (section 42(i)(5))	<input type="checkbox"/> Yes
<b>c</b> 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)	
<b>d</b> Elect deep rent skewed project (section 142(d)(4)(B)) (see instructions)	<input type="checkbox"/> 15-40

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## HTC, Exchange and TCAP: Applicable Fractions

### ADDENDUM F TO DECLARATION – MINIMUM APPLICABLE FRACTION BY BUILDING

BUILDING NUMBER	BUILDING IDENTIFICATION NUMBER (BIN)	MINIMUM APPLICABLE FRACTION
1.	TX-25-27201	86.22%
2.	TX-25-27202	81.25%
3.	TX-25-27203	81.13%
4.	TX-25-27204	100%

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### HTC, Exchange and TCAP: 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.**

### Learning Point: 100% Low-Income Multiple Building Projects

These two buildings are one project.

Can the household in unit 411 transfer to unit 122?

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%

## HTC, Exchange and TCAP: 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.



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## Learning Point 1: Mixed Income Multiple Building Projects

These two buildings are one project.

Can the household in unit 31 transfer to unit 51?

<table border="1"> <tr> <td>31 Market</td> <td>32 60%</td> <td>33 50%</td> </tr> <tr> <td>21 60%</td> <td>22 60%</td> <td>23 Market</td> </tr> <tr> <td>11 60%</td> <td>12 50%</td> <td>13 Market Vacant</td> </tr> </table>			31 Market	32 60%	33 50%	21 60%	22 60%	23 Market	11 60%	12 50%	13 Market Vacant	<table border="1"> <tr> <td>61 60%</td> <td>62 60%</td> <td>63 Market</td> </tr> <tr> <td>51 50% Vacant</td> <td>52 Market</td> <td>53 60%</td> </tr> <tr> <td>41 50%</td> <td>42 Market Vacant</td> <td>43 60%</td> </tr> </table>			61 60%	62 60%	63 Market	51 50% Vacant	52 Market	53 60%	41 50%	42 Market Vacant	43 60%
31 Market	32 60%	33 50%																					
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51 50% Vacant	52 Market	53 60%																					
41 50%	42 Market Vacant	43 60%																					

Each building has an applicable fraction of 66.67% based on the unit count.

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### Learning Point 2: Mixed Income Multiple Building Projects

These two buildings are one project.

Can the household in unit 21 transfer to unit 51?

31 Market			32 60%			33 50%		
21 60%			22 60%			23 Market		
11 60%			12 50%			13 Market Vacant		
61 60%			62 60%			63 Market		
51 50% Vacant			52 Market			53 60%		
41 50%			42 Market Vacant			43 60%		



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

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### Learning Point 3: Mixed Income Multiple Building Projects

These two buildings are one project.

Can the household in unit 31 transfer to unit 42?

31 Market			32 60%			33 50%		
21 60%			22 60%			23 Market		
11 60%			12 50%			13 Market Vacant		
61 60%			62 60%			63 Market		
51 50% Vacant			52 Market			53 60%		
41 50%			42 Market Vacant			43 60%		



Each building has an applicable fraction of 66.67% based on the unit count.

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## HTC, Exchange and TCAP – 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.
- This impacts the Next Available Unit Rule, which is a building rule.

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## Learning Point: Transfers of an OI Household

The two buildings are one project.

Can the household in unit 31 transfer to unit 51?

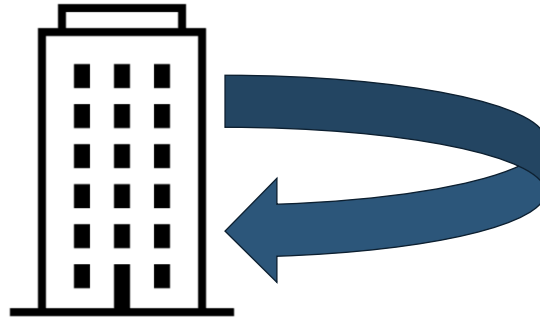
31 OI	32 60%	33 50%	61 60%	62 60%	63 Market
21 60%	22 60%	23 Market	51 50% Vacant	52 Market	53 60%
11 60%	12 50%	13 Market Vacant	41 50%	42 Market Vacant	43 60%

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### HTC: Transfers within the Same Building/BIN

- A household may transfer to a new unit within the same BIN (for the HTC program within the meaning of IRS Notice 88-91).
- **The unit designations will swap status.**



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### Learning Point: Transfers within the Same HTC Building/BIN

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%

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



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## HTC, Exchange and TCAP: 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.



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## Learning Point 1: Individual Building Projects; 20/50 or 40/60

These two buildings are individual building projects.

Can the household in unit 31 transfer to unit 51?

<table border="1"> <tr> <td>31 Market</td> <td>32 60%</td> <td>33 50%</td> </tr> <tr> <td>21 60%</td> <td>22 60%</td> <td>23 Market</td> </tr> <tr> <td>11 60%</td> <td>12 50%</td> <td>13 Market Vacant</td> </tr> </table>			31 Market	32 60%	33 50%	21 60%	22 60%	23 Market	11 60%	12 50%	13 Market Vacant	<table border="1"> <tr> <td>61 60%</td> <td>62 60%</td> <td>63 Market</td> </tr> <tr> <td>51 50% Vacant</td> <td>52 Market</td> <td>53 60%</td> </tr> <tr> <td>41 50%</td> <td>42 Market Vacant</td> <td>43 60%</td> </tr> </table>			61 60%	62 60%	63 Market	51 50% Vacant	52 Market	53 60%	41 50%	42 Market Vacant	43 60%
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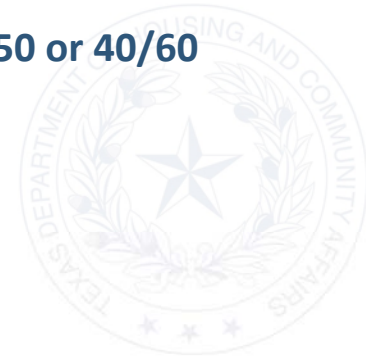


## Learning Point 2: Individual Building Projects; 20/50 or 40/60

These two buildings are individual building projects.

Can the household in unit 21 transfer to unit 51?

31 Market			32 60%			33 50%			61 60%			62 60%			63 Market		
21 60%			22 60%			23 Market			51 50% Vacant			52 Market			53 60%		
11 60%			12 50%			13 Market Vacant			41 50%			42 Market Vacant			43 60%		



Each building has an applicable fraction of 66.67% based on the unit count.

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## Learning Point 1: Individual Building Projects; Average Income

These two buildings are one project.

Can the household in unit 31 move to unit 51?

52.22% Average			57.78% Average														
31 30%			32 60%			33 50%			61 60%			62 60%			63 20%		
21 60%			22 60%			23 20%			51 50% Vacant			52 80%			53 60%		
11 60%			12 50%			13 80% Vacant			41 50%			42 80% Vacant			43 60%		



Each building has an applicable fraction of 66.67% based on the unit count.

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## Learning Point 2: Individual Building Projects; Average Income

These two buildings are one project.

Can the household in unit 21 move to unit 51?

56.67% Average			56.67% Average		
31 Market	32 60%	33 50%	61 60%	62 60%	63 Market
21 60%	22 60%	23 Market	51 50% Vacant	52 Market	53 60%
11 60%	12 50%	13 Market Vacant	41 50%	42 Market Vacant	43 60%



Each building has an applicable fraction of 66.67% based on the unit count.

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## HTC, Exchange and TCAP – Post-15 Transfers

After the first 15 years of the Extended Use Period, all households, regardless of income level or 8609 elections, will be allowed to transfer between buildings/BINs within the Development.



The original move-in date and qualifying income will remain on the Unit Status Report (USR). If the property gets new funds, then this allowance will no longer apply to transfer requirements.

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## Learning Point: Transfers at a Post-15 HTC Property

The property is Post-15 so all buildings are one project.

Can the household in unit 31 transfer to unit 51?

31 Market	32 60%	33 50%	61 60%	62 60%	63 Market
21 60%	22 60%	23 Market	51 50% Vacant	52 Market	53 60%
11 60%	12 50%	13 Market Vacant	41 50%	42 Market Vacant	43 60%

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## Transfers: Re-Syndication

- Re-Syndication means that a property with an existing funding source and LURA gets another award of funds under the same program with a new LURA.
  - This will mean the requirements are layered with each other and must be maintained concurrently until the end of the term.
- Since the new award of funding does not have forms 8609 at the time of funding the buildings are all considered individual projects and households moving from one project/building to another must be certified and qualified as eligible.
  - If the Owner has obtained approval for the intended project elections which indicate a multiple building project, transfers can be handled accordingly. The household's move-in date and initial qualifying income will remain in effect on the Unit Status Report.
- Households may move within the building without being certified.
  - The original move-in date and qualifying income will remain on the Unit Status Report.
- Households are grandfathered in under the original, existing LURA, and do not need to be certified as eligible under the new funding.
  - If the new LURA requires additional, lower set asides households may need to be certified as qualified for the new, lower designation, but this should be noted in the file.
  - Annual requirements will continue to be done based on the original move-in, qualifying date.

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## Transfers: Acquisition/Rehab

- Acquisition/Rehab means that a property is awarded funds that was not previously funded under Department programs, or where the original funding term has expired.
- The Unit Status Report can reflect the original move-in date, but the income and TIC date should be the qualifying date under the new funding.
- Since there are no 8609s at the time of funding, households moving from one building to another must be certified as eligible households before moving.
  - If the Owner has obtained approval for the intended project elections which indicate a multiple building project, transfers can be handled accordingly.
- Households may move within the building without being certified again once the required certification is completed.
- Households certified within 120 days of the Acquisition date will use the date of Acquisition as the certification effective date. If the initial certification is completed after the 120 days, the effective date will be the date the certification is completed.
  - The annual certification requirements will be required based on the anniversary of the effective date of the certification.

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## Transfers

*When households vacate the property to facilitate the rehab, the USR should reflect the move-out date. When the household moves back in, they must be properly certified as low-income.*

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## Transfers: Keys to Success

- Know each building's applicable fraction. Applicable Fraction is a building rule and must be maintained on a building-by-building basis.
- An over income (OI) household cannot transfer outside of the building in which they reside.
- Know the project elections from Form(s) 8609 line 8b.
- Transfer fees cannot be charged when the move is a response to a reasonable accommodation or VAWA request.
- Transfer fees cannot be charged if the household is being moved from one unit to another by the owner.
- Moving from one project to another is not a transfer, it is a move-in and move-out.
- When a household transfers within a building/BIN or project, the original qualifying documentation must be maintained in the tenant file to show eligibility at initial certification.
- **If the property is layered with other funding (RD or PBS8, for example) and is required to certify for the transfer, this will not apply to the Department programs. Original qualifying dates and income for the project will apply and be the guide for recertification requirements.**

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**Household transfers for  
BOND, THTF, NHTF, HOME,  
TCAP RF, NSP, and HOME-  
ARP**



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## All Other Program Transfers: Floating Units

- Household transfers for BOND, THTF, NHTF, HOME, TCAP RF, NSP, and HOME-ARP with **floating units**, households may transfer to any unit within the development.
  - These programs consider the whole property a project, there are no elections made by the Owner.
- A certification is not required at the time of transfer.
  - A household should not be certified at the time of transfer for these programs. The designation will move with the household and swap statuses between the two units.
- If the household transfers to a different unit type, the development must maintain the unit type dispersion as reflected in its LURA, by re-leasing the vacated unit to a program eligible household.
- If the development is required to perform annual income recertifications, the recertification is due on the anniversary date the household **originally moved into the development**.
- If the development is layered with Housing Tax Credits, use the transfer guidelines described in subsection (a) of this section (previous slides).

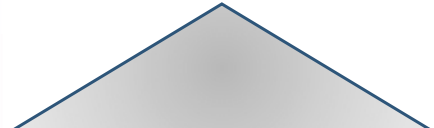
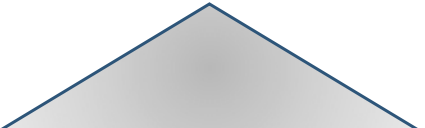
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## Learning Point: Transfers in Other Programs; Floating Units

The property has no funding other than BOND.

Can the household in unit 31 transfer to unit 51?

					
31 Eligible Tenant	32 60%	33 50%	61 60%	62 60%	63 Eligible Tenant
21 60%	22 60%	23 Eligible Tenant	51 50% Vacant	52 Eligible Tenant	53 60%
11 60%	12 50%	13 ET Vacant	41 50%	42 ET Vacant	43 60%

Annual requirements must be done based on the anniversary of the original move-in.

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## MFDL Program Transfers: Fixed Units

- Household transfers for NHTF, HOME, TCAP RF, NSP, and HOME-ARP with **fixed units**.
  - These programs consider the whole property a project, there are no elections made by the Owner.
- Households may transfer to any unit and do not need to be certified at the time of the transfer.
  - A household should not be certified at the time of transfer for these programs. The designation will move with the household.
- If the household transfers to a unit that is not fixed, the development **must re-lease the vacated unit** to a program eligible household.
  - The designations will not swap if the new unit was not a fixed unit in the program.
- If the development is required to perform annual income recertifications, the recertification is due on the anniversary date the household originally moved into the development.
- If the development is layered with Housing Tax Credits, use the transfer guidelines described in subsection (a) of this section (previous slides).

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## Learning Point: MFDL Program Transfers; Fixed Units

The property has fixed HOME units and no other funding. **Can the household in unit 21 (fixed unit) transfer to unit 42?**

31	32	33	61 80%	62 80%	63
21 80%	22 80%	23	51 50% Vacant	52	53
11 80%	12 50%	13 Vacant	41 50%	42 Vacant	43 80%

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## Transfers: 811 Units

- The household must complete a Unit Transfer certification.
- The household will keep their annual recertification from the previous unit.
- There are other requirements :
  - Executing a new lease contract,
  - Completing a Move In/Move Out inspection,
  - Addressing the security and pet deposits.



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## Household Changes



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## Household Additions: HTC, Exchange and TCAP Projects

- 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).

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## Household Additions: HTC Projects; Original Household Moved Out

- A household may continue to add members as long as at least one member of the original low-income household continues to live in the unit.
- Once all the original tenants have moved out of the unit, the remaining tenants must be certified as a new income-qualified household unless:
  - **For mixed-used HTC projects**, the newly created household was income qualified, or the remaining tenants were independently income qualified at the time they moved into the unit.
  - **For 100% HTC projects**, the remaining tenants were independently income qualified at the time they moved into the unit.

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## Household Decreases: HTC Projects

- Decreases in family size do not trigger the immediate Income Certification of a household.
- Subsequent annual income recertifications will be based on the income of the remaining members of the household.
- If the remaining household's income is more than 140% of the income limit at the time of the annual recertification, then the Available Unit Rule is applicable.
- The tenant file must be properly documented to explain the household changes. Failure to properly document the tenant file may result in noncompliance.

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## Household Additions: Other Programs

- The addition of new member(s) to an existing low-income household requires the income qualifications for the new member of the household, including third party and/or firsthand verifications.
  - The new household member's income is added to the existing household's most recent Income Certification.
  - If the income addition causes a HOME, HOME-ARP or TCAP RF unit to go over the 80% limit, the household's income must be fully qualified and adjusted as required by the program to determine household rent.
  - 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, where applicable.
  - If the income is over the 140% limit for the BOND Program the Available Unit Rule applies.

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## Household Decreases: All Other Programs

- Decreases in family size do not trigger the immediate Income Certification of a household.
- Subsequent annual income recertifications will be based on the income of the remaining members of the household.
- If the remaining household is over income, as established by the program rules, at the time of the annual recertification, then the Available Unit Rule is applicable.
- The tenant file must be properly documented to explain the household changes. Failure to properly document the tenant file may result in noncompliance.

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## Household Changes: 811

### • Household Additions:

- Currently, the household must complete an Interim Recertification.
- When adding a new adult, that adult must execute the normal HUD forms, but also the lease and lease addenda in place.
- Adult children cannot be added to the household after initial occupancy, unless they are performing the role of a live-in aide (must be verified).

### • Household Decreases:

- Currently, the household must complete an Interim Recertification.
- When removing an adult, the interim is used to remove that adult and the income associated, this may result in a change to the tenant rent.

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# Thank you!

## Transfers and Household Changes

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