

**ADDENDUM
HOUSING TAX CREDIT APPLICANT ELIGIBILITY
Belen Vista Apartments**

This property is subsidized by a HUD project based Section 8 contract and must also follow the Federal Housing Tax Credit (HTC) program regulations. All applicants must qualify under **BOTH** programs. Applicants must also meet the qualifications shown in the steps below before they can be admitted for occupancy.

Property Managers must fax all move-in information to the Occupancy Supervisor for approval before the Rental Agreement (lease) is signed and keys are given; and before the 50059 is completed. This step is needed to ensure compliance with HUD 4350.3 REV-1 and Housing Credit program regulations. Form RS-22 “Move-in Approval Form” will be used as a guide for the required information.

Step 1:

Compare the applicant’s household **gross** annual income calculated and listed on the *TC-59 “Resident Certification” to the appropriate *per person* income limit on the “Rental Amounts and Income Ranges” chart (see below). The household’s income must be **at or below** the income limit for the household size. These limits are updated annually by HUD. The example below is the HTC 60% of median income limit for 2003.

Household Size	Max Gross Annual Income (60% median)
1	\$21,600
2	\$24,660
3	\$27,780
4	\$30,840
5	\$33,300

Even though the Section 8 Contract for this property allows for applicants to qualify under the HUD low-income limits (80% of median that are higher than the above limits), **ALL applicants must be at or below the 60% income limits above to be eligible for occupancy under the HTC program.** By using the 60% income limits, Applicants will automatically be eligible for Section 8 assistance since their income would fall below the Low-income (80%median).

Step 2:

Households (applicant and current resident) where **ALL** adults are **FULL-TIME** students are **not** eligible under the HTC program unless they meet one of the HTC exceptions on

form TC-14t "Certification of Full-Time Student Eligibility." All other households (applicant and resident) with students (not pre-school or kindergarten), must certify the student status of the individual(s) by using form TC-14t. If the student is 18 years or older, the student status must also be verified by the school or institution attended. Use form TC-13 "Student Status Verification" to get the required information.

Step 3:

Compare the Maximum Allowable Housing Tax Credit net rents (60% median) to the actual rent the **Resident will pay** calculated on the *TC-59 "Resident Certification".

NOTE: Since the HUD Market Rent is lower than the allowable Tax Credit Rent, every applicant or Resident that qualifies for HUD will automatically pay less than the 60% median Housing Tax Credit rent allowed.

The example below indicates the Maximum Allowable Net Tax Credit rents for 2003. These rents are adjusted annually when the new income limits are released.

Bedroom Size	HUD Rents (no utility allowance)	60% Median Rents
One Bedroom	\$528 + \$0 UA = \$528	\$578
Two Bedroom	\$594 + \$0 UA = \$594	\$694

*The TC-59 "Resident Certification" form is the certification worksheet used prior to entering an applicant's or resident's household information in HUDManager to produce the required HUD 50059 Owner's Certification. It is used to pre-determine income, household size and rent eligibility.