

under Subsection (a), the housing finance corporation may collect a fee equal to one-tenth percent of the total principal amount of the loan made for the multifamily residential development. The corporation shall collect the fee from the person who receives the loan at the time the loan is delivered. Immediately after the receipt of the fee, the corporation shall remit the fee to the Texas Department on Aging. The department shall deposit all funds received under this subsection to the credit of a special account in the general revenue fund. Funds in the special account may be used only to assist in obtaining housing for elderly persons or families in which an elderly person is the head of a household.

(c) If the housing finance corporation requires a reservation under Subsection (a), the design engineer for the development must certify to the corporation that the reserved units in the development meet standards set by the Texas Department on Aging for elderly persons.

(d) The governing body of the local government that authorizes, sponsors, or otherwise participates in the creation of the housing finance corporation shall cooperate with the Texas Department on Aging to implement this section and shall submit to the department an annual report relating to the number of developments financed under this chapter, the number of units reserved for the elderly persons or for families in which an elderly person is the head of the household, the amount of fees collected, and other information required by the department.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 394.9025. MULTIFAMILY RESIDENTIAL DEVELOPMENT.

(a) Following a public hearing by the governing body of the applicable local government, a housing finance corporation may, subject to the geographic limitations of Section [394.037\(a-1\)](#), issue bonds to finance a multifamily residential development to be owned by the housing finance corporation if:

(1) at least 50 percent of the units in the multifamily residential development are reserved for occupancy by individuals and families earning less than 80 percent of the area median family income; or

(2) the units in the multifamily residential development are reserved in the manner provided by Section 394.9026(c)(1).

(b) Following a public hearing by the governing body of the applicable local government, a housing finance corporation may, subject to the geographic limitations of Section 394.037(a-1), issue bonds to finance a multifamily residential development to be owned by the housing finance corporation in accordance with Section 394.004 if the housing finance corporation receives approval of the governing body of the local government.

Added by Acts 2001, 77th Leg., ch. 1493, Sec. 3, eff. Aug. 31, 2002.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 208 (H.B. 21), Sec. 8, eff. May 28, 2025.

Sec. 394.9026. ADDITIONAL CONDITIONS FOR BENEFICIAL AD VALOREM TAX TREATMENT RELATING TO CERTAIN MULTIFAMILY RESIDENTIAL DEVELOPMENTS. (a) In this section:

(1) "Housing choice voucher program" means the housing choice voucher program under Section 8, United States Housing Act of 1937 (42 U.S.C. Section 1437f).

(2) "Housing finance corporation user" means:

(A) a housing finance corporation; or

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

(3) "Lower income housing unit" means 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.

(4) "Maximum market rent" means, with respect to a particular income-restricted unit, the average annual rent charged for all non-income-restricted units in the development having the