



FAQ's for Tax Credit Property Residents

Q. How is my rent calculated?

A. Your rent is based on the income limit of your unit and on the number of bedrooms it has. Your rent is not based on a percentage of your income, as in other housing programs.

A unit's **income limits** are based on a percentage of the median income for your county. The income limit can be 30%, 35%, 40%, 45%, 50% or 60% of the median income.

Below are the current rent limits (effective 4/1/2018) for King County tax credit properties. You can see that if the apartment has an income limit of 30% of median income and has one bedroom, the rent cannot be more than \$601.

Set-aside Percentage	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	5-Bedroom
30%	561	601	722	834	931	1027
35%	655	702	842	973	1086	1198
40%	749	802	963	1113	1242	1370
45%	842	902	1083	1252	1397	1541
50%	936	1003	1203	1391	1552	1712
60%	1123	1203	1444	1669	1863	2055

In order to qualify for a unit, your income has to be under the limit for your family size. For example, if the apartment has an income limit of 30% of median income and you have two people in your family, your household income cannot be more than \$25,680 a year when you move in.

Set-aside Percentage	1-person	2-person	3-person	4-person	5-person	6-person	7-person	8-person
30%	22470	25680	28890	32100	34680	37260	39810	42390
35%	26215	29960	33705	37450	40460	43470	46445	49455
40%	29960	34240	38520	42800	46240	49680	53080	56520
45%	33705	38520	43335	48150	52020	55890	59715	63585
50%	37450	42800	48150	53500	57800	62100	66350	70650
60%	44940	51360	57780	64200	69360	74520	79620	84780
80%	59920	68480	77040	85600	92480	99360	106160	113040

Q. Where do I find tax credit income and rent limits are for the property I want to move to?

A. You can find this information online at www.wshfc.org/limits on the Washington State Housing Finance Commission's (WSHFC) website.

Q. Do income and rent limits ever change?

A. Yes, the limits are updated annually, and the amounts usually increase each year.

Q. The limits for my county seem really high. Who decides what the limits should be?

A. The limits for all federal rental-housing programs are calculated by the U.S. Department of Housing and Urban Development (HUD). HUD bases the limits on information about the economy in every county across the country. If the economy is doing very well in a particular county and many people's wages are increasing as a result, the limits will increase. If the economy and people's wages are not doing as well, then limit amounts can go down. HUD updates the limits every spring.

Q. Do you make tax credit landlords raise their rents to match the updated limits every year?

A. No. WSHFC does not require tax credit landlords to raise their rents. Landlords may choose to raise their rents as long as they don't go over the applicable rent limits.

Q. I signed a 12-month lease at a tax credit property. Now my landlord wants to raise my rent, but the lease term isn't over yet. Can my landlord do this?

A. The tax credit program doesn't have any rules about when your landlord can raise your rent. It all depends on what your lease says. If your lease says your landlord can raise your rent any time with proper written notice, it is allowable, even if your lease isn't up yet. If you believe that your lease doesn't allow your landlord to do this, you should seek legal advice. See our website for resources: www.wshfc.org/managers/landlord-tenant.htm.

Q. What happens if my landlord charges me rent that is over the tax credit rent limit?

A. Be sure to discuss any questions or concerns you have about your rent directly with your property manager. WSHFC monitors every tax credit project annually to make sure owners are not charging rents that are over the tax credit rent limits. When WSHFC discovers that a resident has been overcharged, we require the owner to refund any overpayment back to the resident.

Q. What if I qualify for a lower-rent apartment but there are none available?

A. If your income qualifies you for a unit at, for example, 30% and you move in to a 30% unit, then your landlord will charge you up to the 30% rent. However, if the property has already rented all its 30% units, you may be offered a unit with a higher income limit—say, 50%. The rent limit for this unit is also higher. It will take a larger bite out of your monthly budget to live in this unit, so you should consider your finances carefully before you move in.

Q. At my last recertification, my landlord changed my unit from 30% to 50%. Is this allowed?

A. If your income has increased enough to exceed a higher income set-aside, your landlord has the right to switch you to a higher income set-aside. However, your landlord must have language in your lease that explains this, and they must provide you with written notice prior to the change.

Q. Why do I have to disclose all my household income and assets before I move in?

A. All federal rental housing programs require applicants to disclose their income and assets. This is so the federal government can be sure that affordable housing is going to families who need it. Tax credit

property owners and managers are required by federal regulations to collect this information and verify it (through third-party sources) before anyone can move into a tax credit unit.

Q. I'm already qualified for my unit. Why do I have to keep telling my property manager about my income every year?

A. All federal rental housing programs require residents to re-state their income and assets on an annual basis. Your landlord is required to re-confirm income and assets and the student status of every household member every year while the household lives in a tax credit unit.

Q. My roommate and I are both fulltime students, and we were turned down for a tax credit apartment. Why?

A. Federal regulations do not allow households that include ONLY fulltime students to rent tax credit units (unless they meet one of five exceptions). A "Fulltime Student" is someone who attends an educational institution for at least five months during a calendar year (the months do not have to be consecutive). Fulltime students CAN live in tax credit housing if they are part of an otherwise qualified household—just not if they are the only ones in the household. Chapter 2 of WSHFC's *Tax Credit Compliance Manual* describes the rules related to Fulltime Student households (starts on page 4): www.wshfc.org/managers/ManualTaxCredit/40_Chap02FederalRequirements.pdf

Q. I have a Section 8 voucher. Does that affect how my rent is calculated?

A. When you have a Section 8 voucher, the tax credit limits do not apply to your rent. Instead, your portion is calculated by the agency that issued the voucher (for example, a public housing authority). But if you lose your Section 8 assistance, you can be charged up to the tax credit rent limit for your unit.

Q. I feel like my property manager is discriminating against me. Can you help me?

A. The Commission is not an investigative or enforcement agency for Fair Housing issues. We only monitor the owner for compliance with tax credit program rules. We encourage you to contact your local civil rights or Fair Housing agency if you believe you are being discriminated against as a member of a protected class. You can find contact information for such agencies around the state on our website at: www.wshfc.org/managers/f_h_resources.htm and www.wshfc.org/managers/landlord-tenant.htm

If you file a discrimination case against your landlord and win, please contact WSHFC so we can report this finding to other federal agencies.

Q. My landlord is evicting me because of noise complaints, but there are other residents that are just as noisy who not being evicted. What should I do?

A. The WSHFC does not have the authority to investigate landlord/tenant disputes or enforce landlord/tenant laws. We only monitor the owner for compliance with tax credit program rules. If you think your landlord is treating you unfairly, is violating the terms of your lease, or doing something else illegal, we strongly encourage you to get legal advice. You can find some legal resources on our website at: www.wshfc.org/managers/landlord-tenant.htm.

If you challenge your eviction and/or take your landlord to court and win, please contact WSHFC so we can report this finding to other federal agencies.