



NEWS

FOR IMMEDIATE RELEASE
July 31, 2007

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NOTE TO EDITOR: A complete list of awarded developments is located online at <http://www.tdhca.state.tx.us/ppa/media/index.htm>

State awards \$42 million in tax credits to build seniors, workforce housing across Texas

(AUSTIN) — With an eye towards providing reasonably priced rental housing for the state's growing workforce and senior populations, the Texas Department of Housing and Community Affairs (TDHCA) today awarded \$42 million in tax credits to support the construction of affordable rental housing developments across the state.

"Seniors and working Texans need an affordable place to live and we are committed to supporting the housing opportunities they require to continue working and contributing to their community," explained TDHCA Executive Director Michael Gerber. "New tax credit developments are great economic generators for local communities and, once completed, will provide high-quality, stable, and secure homes."

A total of 53 awards were made from TDHCA's highly competitive 2007 Housing Tax Credit Program. The Department annually receives nearly twice as many applications as it can fund, demonstrating the high demand for these needed developments. Through these awards, TDHCA estimates creating 4,837 units statewide of affordable rental housing serving households earning no more than 60 percent of the area median family income.

The Housing Tax Credit Program is the nation's primary means of directing private capital toward the development of high quality affordable rental housing.

The tax credits provide developers and investors with a benefit that is used to offset a portion of their federal tax liability in exchange for the production of affordable rental housing. The value associated with the credits allows units in tax credit properties to offer leases to income eligible tenants at rents below those of market rate apartment properties.

The program has helped create or retain approximately 118,837 units of safe, decent, and affordable rental housing for low income Texans since the first allocation cycle in 1987.

The Texas Department of Housing and Community Affairs is Texas' lead agency responsible for affordable housing, community and energy assistance programs, and colonia activities. The Department annually administers funds in excess of \$400 million, the majority of which is derived from mortgage revenue bond financing and refinancing, federal grants, and federal tax credits.

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