

GROSS RENT FLOOR ELECTION

This form can be used to elect a gross rent floor in accordance with Revenue Procedure 94-57.

Revenue Procedure 94-57 clarifies that the gross rent an owner may charge will not fall below the rent limit that was in effect either at the time of initial allocation*, or at the owner's election, the rent limit that was in effect at the placed in service date.

If the owner wishes to select the rent limits in effect at the placed in service date, this form must be completed and submitted to the Compliance Division of the Texas Department of Housing and Community Affairs **BEFORE** any building is placed in service.

If this form is not received, or if it is received after the placed in service date, the gross rent floor will be the rent limits in effect at the time of initial allocation*.

This is a one time, irrevocable election:

The undersigned owner hereby makes the following election with respect to the gross rent floor effective date for each building in the property listed below:

- On the date of initial allocation*

- On the Placed in Service date

_____	_____	_____
Owner Signature	Date	Property Name
_____		_____
Owner Name (print or type)		TDHCA file number

* If the property is a tax exempt bond financed (as defined by IRC), the IRS will treat the gross rent floor as taking effect on the date the Texas Department of Housing and Community Affairs initially issues a determination letter unless the owner designates that the placed-in-service date should be used.