

# Community Land Trust

## Session #5: CLT Law & the Tax Code



# The CLT Law: Texas Local Government Code 373B

Texas CLT Law passed in 2011 and became effective in 2012.

## Fundamentals of the Law

1

Must be a 501 c 3 nonprofit or public housing finance corporation to be a CLT.

2

CLT must maintain ownership of the land and may sell or lease the housing units on the land.

Must sell all homes to households with income at or below 80% of AMFI, *but also...*

3

Must sell 25% of the homes to households with income at or below 60% of AMFI, *but if it is a contiguous piece of land... May sell up to 20% of homes to households with income up to 120% of AMFI.*

4

Must lease housing to households with incomes at or below 60% AMFI, *but if a contiguous piece of land... May lease up to 20% housing to households with income at or below 80% of AMFI.*

# FUNDAMENTALS OF THE LAW: THE PURPOSE OF THE CLT

(1) PROVIDE AFFORDABLE HOUSING FOR LOW-INCOME AND MODERATE-INCOME RESIDENTS IN THE COMMUNITY;

(1) PROMOTE RESIDENT **OWNERSHIP** OF HOUSING;

(1) KEEP HOUSING *AFFORDABLE FOR FUTURE RESIDENTS*; AND

(1) CAPTURE THE VALUE OF PUBLIC INVESTMENT FOR LONG-TERM COMMUNITY BENEFIT.

*\*IF YOU ARE ESTABLISHING A CLT, IT'S A GOOD IDEA TO ADD THESE ELEMENTS TO THE "PURPOSE" SECTION OF YOUR BYLAWS.*

## BASIC QUESTION

*DO YOU NEED TO BE A CLT TO HAVE THIS AS YOUR PURPOSE?*

## CONSIDERATIONS

*THINK ABOUT THE MUELLER FOUNDATION.*

*THINK OF WHAT IS ACHIEVED WITH DENSITY & OTHER "BONUS PROGRAMS".*

*\*THERE ARE NUMEROUS "CLT-LIKE" PROGRAMS THAT ACHIEVE SIMILAR GOALS WHILE NOT FOLLOWING THE CLT LAW.*

# THE CLT LAW & PROPERTY TAXES

## HAVING REDUCED & MANAGEABLE PROPERTY TAXES A PRIMARY FUNCTIONS OF CLTS

- THE THREE KEY ELEMENTS RELATED TO PROPERTY TAXES ARE 1) EXEMPTIONS 2) VALUATIONS AND 3) TAX RATES.
- A GOAL OF CLTS IS TO KEEP THESE AS STABLE AND MANAGEABLE AS POSSIBLE. THE STATE SETS THE GENERAL RULES, BUT LOCAL GOVERNMENTS OFTEN DETERMINE SPECIFIC ASPECTS OF THE 3 ELEMENTS- GRANT DIFFERENT % EXEMPTIONS, CHANGE TAX RATES, OR ADD NEW TAXING AUTHORITIES.
- LOCAL EXEMPTIONS: A CITY OR COUNTY CAN CHOOSE TO GRANT A % TAX EXEMPTION ON THE CLT-OWNED LAND IF THE CLT ORGANIZATION APPLIES AND MEETS ADDITIONAL STATE OR LOCAL REQUIREMENTS.
- TEXAS TAX CODE SECTION **11.1825** CONCERNS AFFORDABLE HOUSING IN GENERAL, IT'S SOMETIMES CALLED THE CHDO EXEMPTION. IT USUALLY GIVES A 50% EXEMPTION TO RENTAL PROPERTIES AND THAT RENTAL PROPERTY SHOULD BE GIVEN VALUATIONS BASED ON AN INCOME VALUATION. 11.1825 ALSO CAN GIVE 100% EXEMPTION TO LAND WHILE BEING DEVELOPED FOR HOMEOWNERSHIP.
- **11.1827** RELATES SPECIFICALLY TO CLTS (FOR PROPERTIES MEETING THE REQUIREMENTS OF TLGC 373B).
- VALUATIONS GIVEN BY AN APPRAISAL DISTRICT FOR THE CLT LAND & HOUSING ARE BASED ON THE APPRAISAL METHODOLOGY FOUND IN **SECTION 23.21** OF THE TAX CODE.
- THE CLT HOMEOWNER IS RESPONSIBLE FOR PAYING PROPERTY TAXES ON THE IMPROVEMENTS (THE HOUSE ITSELF) AND TYPICALLY ALSO PAYS TAXES ON THE LAND THEY LEASE VIA A GROUND LEASE.
- CLT HOMEOWNERS MAY ADD OTHER STANDARD TEXAS PROPERTY TAX EXEMPTIONS, SUCH AS THE RESIDENCE **HOMESTEAD** EXEMPTION, **AGE 65** OR OLDER, **DISABLED** PERSON, AND **VETERAN** EXEMPTIONS, WHICH FURTHER REDUCE THEIR TAX BURDEN.

# Texas Property Tax Code **Section 23.21**

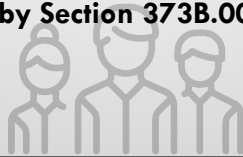
## Appraising the CLT **Land**

(c) In appraising **land** that is leased by a community land trust created or designated under Section 373B.002, Local Government Code, to a family meeting the income-eligibility standards established by Section 373B.006 of that code under regulations or restrictions limiting the amount that the family may be required to pay for the rental or lease of the property, the chief appraiser **shall use the income method of appraisal** as described by Section 23.012 to determine the appraised value of the property. **The chief appraiser shall use that method regardless of whether the chief appraiser considers that method to be the most appropriate method of appraising the property.** In appraising the property, the chief appraiser shall: (1) take into account the uses and limitations applicable to the property, **including the terms of the lease** applicable to the property, for purposes of computing **the actual rental income from the property** and projecting future rental income; and (2) **use the same capitalization rate that the chief appraiser uses to appraise other rent-restricted properties.**



## Appraising the CLT **Home**

**(d) In appraising a housing unit** that the owner or a predecessor of the owner acquired from a community land trust created or designated under Section 373B.002, Local Government Code, and that is located on land owned by the trust and leased by the owner of the housing unit, **the chief appraiser shall take into account the extent to which any regulations or restrictions limiting the right of the owner of the housing unit to sell the housing unit**, including any **limitation on the price for which the housing unit may be sold**, reduce the market value of the housing unit. **If the sale of the housing unit is subject to an eligible land use restriction, the chief appraiser may not appraise the housing unit in a tax year for an amount that exceeds the price for which the housing unit may be sold under the eligible land use restriction in that tax year.** For purposes of this subsection, **"eligible land use restriction"** means an agreement, **deed restriction, or restrictive covenant** applicable to the housing unit that: **(1) is recorded in the real property records; (2) has a term of at least 40 years; (3) restricts the price for which the housing unit may be sold to a price that is equal to or less than the market value of the housing unit; and (4) restricts the sale of the housing unit to a family meeting the income-eligibility standards established by Section 373B.006, Local Government Code.**



# TRAVIS CENTRAL APPRAISAL DISTRICT

## THE LAND

### PROPERTY SEARCH

THE ENTIRE TCAD DATABASE IS AVAILABLE FOR SEARCH BY OWNER NAME, PROPERTY ADDRESS, ACCOUNT NUMBER, OR DOING BUSINESS AS (DBA).

THE APPRAISAL DISTRICT MAINTAINS THIS SITE FOR THE CONVENIENCE AND USE OF OUR TAXPAYERS. IT IS NOT INTENDED FOR THE BULK TRANSFER OF DATA. THE DISTRICT WILL IMPLEMENT SUCH PROGRAMS AND TECHNIQUES IT DEEMS NECESSARY TO ENSURE THE BROADEST AVAILABILITY OF THE SITE.

[PROPERTY SEARCH](#)

[MAP SEARCH](#)

ALL INFORMATION CONTAINED HEREIN IS CONSIDERED IN THE PUBLIC DOMAIN AND IS DISTRIBUTED WITHOUT WARRANTY OF ANY KIND, IMPLIED, EXPRESSED OR STATUTORY. THE TRAVIS CENTRAL APPRAISAL DISTRICT MAKES NO CLAIMS, PROMISES OR GUARANTEES ABOUT THE ACCURACY, COMPLETENESS, OR ADEQUACY OF THIS INFORMATION AND EXPRESSLY DISCLAIMS LIABILITY FOR ANY ERRORS OR OMISSIONS. INFORMATION RELATING TO THE CURRENT YEAR SHOULD BE CONSIDERED A WORK IN PROGRESS. PRIOR YEAR DATA IS INFORMATIONAL ONLY AND DOES NOT NECESSARILY REPLICATE THE VALUES CERTIFIED TO THE TAX OFFICE. THE INFORMATION PROVIDED IS PURELY FOR AD VALOREM TAXATION PURPOSES.

**PURSUANT TO SEC. 11.1825(R) OF THE TEXAS PROPERTY TAX CODE, THE TRAVIS CENTRAL APPRAISAL DISTRICT GIVES PUBLIC NOTICE OF THE CAPITALIZATION RATE TO BE USED TO VALUE PROPERTIES RECEIVING EXEMPTIONS UNDER THIS SECTION. THE CAPITALIZATION RATE WHICH THE TRAVIS CENTRAL APPRAISAL DISTRICT WILL USE IN THE VALUATION OF PROPERTIES WITH A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION DESIGNATION IS 6%.**

# COMPUTING TAXES ON CLT LAND

## INCOME BASED VALUATION:

- IF THE GROUND LEASE REQUIRES \$50 PER MONTH, THUS \$600 PER YEAR, AND THE...
- CAPITALIZATION RATE (CAP RATE) IS 6%, THEN...
- $\$600 / .06 = \$10,000$  VALUATION FOR THE LAND (THE LOT OR "LAND UNIT" IF IT'S A CONDOMINIUM).

EXAMPLE: 807 WALLER STREET A CLT PROPERTY 2,544.12 VS. 804 WALLER STREET A MARKET RATE PROPERTY 3,863 SQ. FT

### VALUE HISTORY 807 Waller a CLT property

Year	Land Market	Improvement	Special Use Exclusion (-)	Appraised	Value Limitation Adj (-)	Net Appraised
2025	10,000	0	0	10,000	2,800	7,200
2024	10,000	0	0	10,000	4,000	6,000
2023	5,000	0	0	5,000	0	5,000

### VALUE HISTORY 804 Waller a market rate property

Year	Land Market	Improvement	Special Use Exclusion (-)	Appraised	Value Limitation Adj (-)	Net Appraised
2025	324,703	231,744	0	556,447	157,959	398,488
2024	300,000	259,613	0	559,613	197,351	362,262
2023	300,000	306,867	0	606,867	277,538	329,329



# COMPUTING TAXES ON CLT HOMES

## RESTRICTION BASED VALUATION:

- IF THE GROUND LEASE AND/OR DEED SAYS THE HOUSE CANNOT BE SOLD FOR MORE THAN A SPECIFIC AMOUNT, AND THE...
- RESTRICTED RESALE FORMULA IS RECORDED IN THE OFFICIAL PUBLIC RECORDS...
- THEN IT CANNOT BE APPRAISED FOR MORE THAN THAT AMOUNT.

EXAMPLE: 807 WALLER STREET 1,500 SQFT A CLT PROPERTY VS. 804 WALLER STREET A MARKET RATE PROPERTY 824 SQFT

### VALUE HISTORY 807 Waller a CLT property @ 1,500 SF.

Year	Land Market	Improvement	Special Use Exclusion (-)	Appraised	Value Limitation Adj (-)	Net Appraised
2025	0	102,000	0	102,000	0	102,000
2024	0	98,600	0	98,600	0	98,600
2023	0	96,900	0	96,900	0	96,900

### VALUE HISTORY 804 Waller a market rate property @ 825 SF

Year	Land Market	Improvement	Special Use Exclusion (-)	Appraised	Value Limitation Adj (-)	Net Appraised
2025	324,703	231,744	0	556,447	157,959	398,488
2024	300,000	259,613	0	559,613	197,351	362,262
2023	300,000	306,867	0	606,867	277,538	329,329

## EXHIBIT 9.10 FROM THE GROUND LEASE & ATTACHED TO THE DEED FOR IMPROVEMENTS ONLY

\*THIS WAS GNDC'S 2ND CLT HOME, SOLD IN 2014 FOR \$85,000 WITH A 2% APPRECIATION RATE.

807 Waller J. Hernandez

### EXHIBIT 9.10: Formula Price Schedule

The Purchase Option Price shall be the lower of an independent fair market appraised value or the prices as shown in the schedule below.

<u>Date</u>	<u>Equity Added</u>	<u>Resale Price</u>
December 1, 2015	\$1,700	\$86,700
December 1, 2016	\$1,700	\$88,400
December 1, 2017	\$1,700	\$90,100
December 1, 2018	\$1,700	\$91,800
December 1, 2019	\$1,700	\$93,500
December 1, 2020	\$1,700	\$95,200
December 1, 2021	\$1,700	\$96,900
December 1, 2022	\$1,700	\$98,600
December 1, 2023	\$1,700	\$100,300
December 1, 2024	\$1,700	\$102,000

# DEED FOR A RECENT CLT CONDO SALE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

**Special Warranty Deed**  
**(For Condominium Unit and an Undivided Interest in Common Elements,**  
**Subject to Ground Lease Resale Restrictions and Purchase Options)**

STATE OF TEXAS       §

COUNTY OF TRAVIS   §

KNOW ALL PERSONS BY THESE PRESENTS THAT:

THIS DEED IS DELIVERED AND ACCEPTED SUBJECT TO THE PROVISIONS AND CONDITIONS SET FORTH IN THAT CERTAIN DECLARATION OF RESTRICTIVE COVENANT REGARDING AFFORDABLE HOUSING REQUIREMENTS, DATED AS OF November 6, 2023, RECORDED UNDER DOCUMENT NO. 2023126179 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

THAT **GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION**, a Texas not-for-profit corporation ("**Grantor**"), for and in consideration of the sum of \$1.00 cash in hand paid by ~~XXXXXXXX~~ XXXXXXXX a single woman with a mailing address of 1008 Brass Street #1, Austin, Texas 78702 ("**Grantee**"), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Grantor, has GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents does GRANT, BARGAIN, SELL, and CONVEY unto Grantee, that certain real property situated in Travis County, Texas, and described on Exhibit A attached hereto (the "**Condominium Unit**"). IT IS THE INTENTION OF THE PARTIES THAT THE LAND BENEATH THE CONDOMINIUM UNIT SHALL REMAIN VESTED WITH GRANTOR AND THIS DEED SHALL CONVEY ONLY THE CONDOMINIUM UNIT.

Grantor and Grantee acknowledge that this conveyance is made by Grantor and accepted by Grantee subject to any and all easements, covenants, rights-of way, restrictions, outstanding mineral interests and royalty interests, if any, relating to the Condominium Unit, to the extent, and only to the extent, that the same may still be in force and effect, and shown of record in the office of the County Clerk of Travis County, Texas. Additionally, this conveyance is made subject to that Community Land Trust Ground Lease entered into between Grantor and Grantee (the "**Ground Lease**"), being executed and recorded in the official public records of Travis County, Texas on or around the date of this Deed, which includes among other things, the right of Grantor to purchase the Condominium Unit upon receipt of an Intent-to-Sell Notice from Grantee and resale restrictions described in Exhibit C attached hereto and incorporated herein by reference (the "**Resale Formula Price Schedule**"). This conveyance is also subject to all terms and conditions of that certain Condominium Declaration for GNDC 1008 Brass Condominium, a condominium project in Travis County, Texas, filed of record on November 6, 2023, recorded under Document No. 2023126179 of the official public records of Travis County, Texas, and any amendments thereto of record in said County.

TO HAVE AND TO HOLD the Condominium Unit, together with, all and singular, the rights and appurtenances thereto in anywise belonging, to Grantee and Grantee's successors and assigns forever; and

**ATTACHMENT A**

**Description of the Condominium Unit**

**Home Unit #1**, of **GNDC 1008 Brass Condominium**, a condominium project in Travis County, Texas, according to the Condominium Declaration and Plat of **GNDC 1008 Brass Condominium**, filed of record on November 6, 2023, recorded under Document No. 2023126179 of the Official Public Records of Travis County, Texas, and any amendments thereto of record in said County; together with such Unit's undivided interest in and to the Common Elements designated by the Declaration, including those areas reserved as Limited Common Elements appurtenant to the Unit and such other rights to use the Common Elements which have been specifically assigned to the Unit in any other manner.



## ATTACHMENT B

### Description of the Leased Land

CONDOMINIUM UNIT: Tract 1: Leasehold estate only, Land Unit 1, created in the Guadalupe Neighborhood Development Corporation Community Land Trust Ground Lease dated November 13, 2023 between the Guadalupe Neighborhood Development Corporation and ~~XXXXXX XXXXXX~~ recorded in Document No. 2023128533, Official Public Records, Travis County, Texas of Home Unit 1 of GNDC 1008 Brass Condominium, a condominium project in Travis County, Texas, according to the Condominium Declaration and Plat of GNDC 1008 Brass Condominium, recorded under Document No. 2023126179 of the Official Public Records of Travis County, Texas, and any amendments thereto of record in said County; together with such Unit's undivided interest in and to the Common Elements designated by the Declaration, including those areas reserved as Limited Common Elements appurtenant to the Unit and such other rights to use the Common Elements which have been specifically assigned to the Unit in any other manner.

**ATTACHMENT C: Resale Formula****Ground Lease Exhibit 9.10**

The Ground Lease permanently restricts the sale of the Home to an Income-qualified Person. In addition, the Ground Lease, Article 9.10, sets out a resale formula that restricts the sales price to a 1.5% annual increase above the initial sales price, capped at 30 years. More specifically, the resale price shall be the lower of an independent fair market appraised value, if one has been commissioned, or the prices as shown in the schedule below. Documented costs of capital improvements approved by GNDC shall be added to the resale price; such cost of addition will be subject to any depreciation that is customarily applicable to similar improvements. The initial sales price is \$230,000.

Date	Equity Added	Resale Price
November 13, 2024	\$3,450	\$233,450
November 13, 2025	\$3,450	\$236,900
November 13, 2026	\$3,450	\$240,350
November 13, 2027	\$3,450	\$243,800
November 13, 2028	\$3,450	\$247,250
November 13, 2029	\$3,450	\$250,700
November 13, 2030	\$3,450	\$254,150
November 13, 2031	\$3,450	\$257,600
November 13, 2032	\$3,450	\$261,050
November 13, 2033	\$3,450	\$264,500
November 13, 2034	\$3,450	\$267,950
November 13, 2035	\$3,450	\$271,400
November 13, 2036	\$3,450	\$274,850
November 13, 2037	\$3,450	\$278,300
November 13, 2038	\$3,450	\$281,750
November 13, 2039	\$3,450	\$285,200
November 13, 2040	\$3,450	\$288,650
November 13, 2041	\$3,450	\$292,100
November 13, 2042	\$3,450	\$295,550
November 13, 2043	\$3,450	\$299,000
November 13, 2044	\$3,450	\$302,450
November 13, 2045	\$3,450	\$305,900
November 13, 2046	\$3,450	\$309,350
November 13, 2047	\$3,450	\$312,800
November 13, 2048	\$3,450	\$316,250
November 13, 2049	\$3,450	\$319,700
November 13, 2050	\$3,450	\$323,150
November 13, 2051	\$3,450	\$326,600
November 13, 2052	\$3,450	\$330,050
November 13, 2053	\$3,450	\$333,500

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November 13, 2028	\$3,450	\$247,250
November 13, 2029	\$3,450	\$250,700
November 13, 2030	\$3,450	\$254,150
November 13, 2031	\$3,450	\$257,600
November 13, 2032	\$3,450	\$261,050

**VALUE HISTORY****TCAD Valuations 1008 Brass #1**

Year	Land Market	Improvement	Special Use Exclusion (-)	Appraised	Value Limitation Adj (-)	Net Appraised
2025	233,450	0	0	233,450	0	233,450
2024	230,000	0	0	230,000	0	230,000

## ATTACHMENT D

### GNDC MEMORANDUM OF GROUND LEASE

This Memorandum of Ground Lease is made and entered into this 13<sup>th</sup> day of November, 2023, by and between ~~GNDC 1008 Brass Condominium~~ ("Lessee"), whose address is 1008 Brass Street #1, Austin, Texas 78702 and Guadalupe Neighborhood Development Corporation ("Lessor"), with offices at 813 East 8<sup>th</sup> Street, Austin, Texas 78702.

#### WITNESSETH:

Lessor is the owner of certain real property located in Travis County, in the state of Texas, known as 1008 Brass Street, Home Unit #1, a unit within the GNDC 1008 Brass Condominium and the "Leased Premises"), more particularly described as follows:

#### Tract 2:

Leasehold estate only in Land Unit 1, created by the Guadalupe Neighborhood Development Corporation Community Land Trust Ground Lease dated November 2023 by and between Guadalupe Neighborhood Development Corporation and ~~GNDC 1008 Brass Condominium~~ recorded in Document No. 2023121533, Official Public Records, Travis County, Texas; together with the limited common elements and an undivided interest in and to the general common elements, as defined in that Declaration recorded in

Lessees are the owners of only the Improvements, Home Unit 1, located on the Leased Premises, Land Unit 2, and purchased the Improvements subject to the terms of a Ground Lease recorded as part of Declaration of GNDC 1008 Brass Condominium, which Ground Lease is dated November 13, 2023 (the "Lease").

The provisions of the Lease include the following:

- The Lease term shall not commence until the date the Improvements located on the Leased Premises are conveyed by Lessor to Lessees and shall extend for 99 years therefrom, unless terminated sooner or extended for an additional period of 99 years.
- The Lease requires that the Leased Premises be used only for residential purposes. Any additions or alterations to the Improvements must comply with the terms of the Lease.
- The Lease requires the Lessees to make certain monthly payments. The monthly payments may be periodically adjusted. However, it is the express understanding of Lessor and Lessees that such payments are conditioned entirely upon Lessees' ability to pay and that nonpayment will not result in termination of the Lease.
- The Lease prohibits any liens from attaching to the Lessor's title to the Leased Premises.
- The Lease does not require Lessor to provide any services or facilities, including utility services.
- The Lease prohibits Lessees from mortgaging the Improvements and Lessees' interest in the Leased Premises without the consent of Lessor.
- The Lease requires that, in the event Lessees intend to sell the Improvements, Lessees shall notify Lessor of such intent; and that, thereupon, Lessor shall have the option to purchase the

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- The Lease prohibits any liens from attaching to the Lessor's title to the Leased Premises.
- The Lease does not require Lessor to provide any services or facilities, including utility services.
- The Lease prohibits Lessees from mortgaging the Improvements and Lessees' interest in the



# A COOL TOOL: TRAVIS COUNTY TAX COLLECTOR TAX ESTIMATOR

1. Select the city where the property is located.
2. Select the school district and any special districts where the property is located.
3. Enter any exemptions you expect to have on the property.
4. Enter the approximate value of the property, such as a current appraisal or a recent purchase price.

Please select a city:

Submit

## You selected Homestead

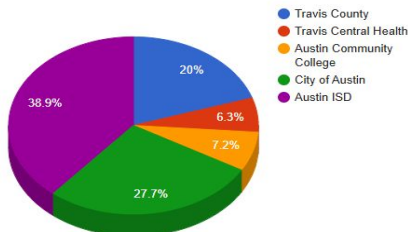
Tax Unit	Property Value	Exemption	Net Taxable Value	2024 Tax Rate	2025 Tax Estimate
Travis County	\$230,000	\$46,000	\$184,000	0.344445	\$634
Travis Central Health	\$230,000	\$46,000	\$184,000	0.107969	\$199
Austin Community College	\$230,000	\$5,000	\$225,000	0.101300	\$228
City of Austin	\$230,000	\$46,000	\$184,000	0.477600	\$879
Austin ISD	\$230,000	\$100,000	\$130,000	0.950500	\$1,236

Your estimated total tax is:

**\$3,175**

See [below](#) for an interactive chart illustrating your estimated total tax.

2025 Tax Estimate



**1008 Brass Street taxes on the home are about \$3,175 a year or about \$265 a month.**

**\$265 is, therefore, the “T” in the PITI formula.**



**1008 BRASS STREET CLT CONDO UNIT #1. 1,479 SF.** HOMESTEAD EXEMPTION. TAXES ARE \$3,175 FOR THE HOME & \$150 FOR THE LAND, FOR TOTAL ANNUAL TAXES OF **\$3,325 OR \$277** PER MONTH.

VALUE HISTORY      1008 Brass Street Unit 1, a CLT property. 1,479 SF						
Year	Land Market	Improvement	Special Use Exclusion (-)	Appraised	Value Limitation Adj (-)	Net Appraised
2025	233,450	0	0	233,450	0	233,450
2024	230,000	0	0	230,000	0	230,000

**1004 BRASS STREET MARKET RATE CONDO, UNIT A. 1,428 SF.** HOMESTEAD EXEMPTION. HOME & LAND VALUATION IS \$587,973. ANNUAL PROPERTY TAXES OF ABOUT **\$9,602 OR \$800** A MONTH.

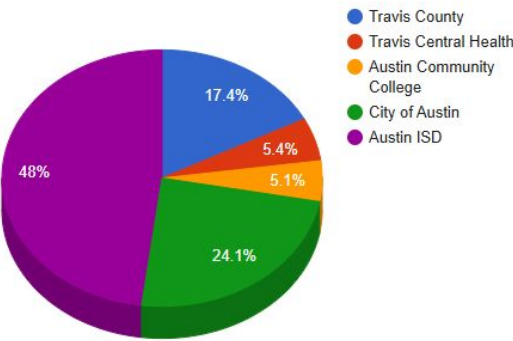
VALUE HISTORY      1004 Brass Street Unit A, a market rate property next door. 1,428 SF						
Year	Land Market	Improvement	Special Use Exclusion (-)	Appraised	Value Limitation Adj (-)	Net Appraised
2025	137,500	450,473	0	587,973	0	587,973
2024	162,500	486,514	0	649,014	59,579	589,435
2023	212,500	635,271	0	847,771	311,921	535,850
2022	150,000	531,925	0	681,925	194,789	487,136
2021	100,000	403,833	0	503,833	60,982	442,851

You selected no exemptions

Tax Unit	Property Value	Exemption	Net Taxable Value	2024 Tax Rate	2025 Tax Estimate
Travis County	\$10,000	\$0	\$10,000	0.344445	\$34
Travis Central Health	\$10,000	\$0	\$10,000	0.107969	\$11
Austin Community College	\$10,000	\$0	\$10,000	0.101300	\$10
City of Austin	\$10,000	\$0	\$10,000	0.477600	\$48
Austin ISD	\$10,000	\$0	\$10,000	0.950500	\$95
Your estimated total tax is:					\$198

See [below](#) for an interactive chart illustrating your estimated total tax.

2025 Tax Estimate



All CLT land with a \$50/ month lease gets the same \$10,000 valuation. City of Austin taxes of \$48 get removed. Actual estimated annual property taxes on the land are \$150, or \$12.50 a month.

## PART 2: NUTS AND BOLTS OF MANAGING CLT PROPERTY TAXES



# THE CYCLE OF PROPERTY TAXES

STEP 1: APPLY FOR THE NECESSARY EXEMPTION

STEP 2: ENSURE CORRECT VALUATION OF PROPERTY

STEP 3: PROTEST INCORRECT VALUES

STEP 4: RECEIVE AND PAY PROPERTY TAX BILL



# WHICH EXEMPTIONS?

## TEXAS LIH PROPERTY TAX EXEMPTION

- **PURPOSE:** REDUCES OR ELIMINATES PROPERTY TAXES TO SUPPORT AFFORDABLE HOUSING DEVELOPMENT, PRESERVATION, AND LONG-TERM AFFORDABILITY.
- **WHO QUALIFIES:**
  - A **NONPROFIT OWNER** (OR A LIMITED PARTNERSHIP WHERE THE **NONPROFIT IS THE MANAGING GENERAL PARTNER**)
  - PROPERTY MUST BE USED FOR **LOW-INCOME HOUSING PURPOSES**
  - TYPICALLY MUST MEET **TENANT INCOME RESTRICTIONS** (OFTEN ALIGNED WITH LIHTC THRESHOLDS)
- **STATUTORY AUTHORITY:**
  - **TEXAS PROPERTY TAX CODE §11.182 (A/B/C VARIANTS)** DEFINES DIFFERENT PATHWAYS DEPENDING ON OWNERSHIP STRUCTURE AND COMMITMENTS

# WHICH EXEMPTIONS WHEN: LIH

## AFTER ACQUIRING LAND: NEED LIH EXEMPTION

- FOR LAND OWNED ON JANUARY 1 OR ACQUIRED DURING THE TAX YEAR
- FORM 50-310
- STRICT TIMELINE AND PROCESS: DUE APRIL 30TH

## WHAT FOR?

- REMOVES TAXES ON LAND UNDER CONSTRUCTION OR PREPARATION FOR HOUSING
- NEED TO FILL OUT THE SCHEDULE A
- NO TIMELINE FOR OWNERSHIP, 3 YEARS FOR RENTAL

# Application for Constructing or Rehabilitating Low-Income Housing Property Tax Exemption

Form 50-210

Tax Year \_\_\_\_\_  
 Approval District's Name \_\_\_\_\_  
 Approval District Account Number, if known \_\_\_\_\_

**GENERAL INFORMATION:** This application is for use in claiming exemptions pursuant to Tax Code Section 11.05(a) and pre-acquisition/preliminary determinations of qualification for such exemptions pursuant to Tax Code Section 11.05(a)(5).

**IMPORTANT INSTRUCTIONS:** This application and all supporting documentation must be filed with the appraisal district office in each county in which the property is located between Jan. 1 and no later than April 30, 2022. File this document with the Texas Comptroller of Public Accounts.

## SECTION 1: State Whether Requesting an Exemption or Preliminary Determination

☐ Exemption ☐ Preliminary Determination

## SECTION 2: Property Owner/Applicant

Name of Property Owner or Lessee of Ground Lease \_\_\_\_\_  
 Please leave cash and number \_\_\_\_\_

Mailing Address, City, State, ZIP Code \_\_\_\_\_

E-mail Address \_\_\_\_\_

Property Owner or Lessee of Ground Lease is a checked asset:

☐ Partnership ☐ Corporation ☐ Other (specify) \_\_\_\_\_

Name of Person Preparing this Application \_\_\_\_\_ Title \_\_\_\_\_

Driver's License, Personal ID Certificate  
or Social Security Number\* \_\_\_\_\_

If this application is for an exemption from ad valorem taxation of property owned by a charitable organization with a federal tax identification number, that number may be provided here in lieu of a driver's license number, personal identification certificate number or social security number: \_\_\_\_\_

\* Unless the applicant is a charitable organization with a federal tax identification number, the applicant's driver's license number, personal identification certificate number or social security account number is required. Pursuant to Tax Code Section 11.05(a)(5), a driver's license number, personal identification certificate number or social security account number is not required for an exemption from ad valorem taxation of property owned by a charitable organization with a federal tax identification number. The information may not be disclosed to anyone other than an employee of the appraisal district who, upon request, may provide the information to the Texas Comptroller of Public Accounts. If the applicant is a charitable organization with a federal tax identification number, the applicant may provide the organization's federal tax identification number in lieu of a driver's license number, personal identification certificate number or social security account number.

## SECTION 3: Property Identification

Provide the property's legal description.

\_\_\_\_\_

Physical Address (i.e., street address, not P.O. Box), City, County, Zip Code \_\_\_\_\_

Application for Constructing or Rehabilitating Low-Income Housing Property Tax Exemption

Form 50-210

## Schedule A: Constructing Low-Income Housing

Complete one Schedule A form for each parcel of improved (with building and unimproved) real property qualified for exemption. Attach all completed schedules to your application.

Name of Property Owner \_\_\_\_\_

Physical Address (i.e., street address, not P.O. Box), City, County, Zip Code \_\_\_\_\_

Person Use \_\_\_\_\_

Date of acquisition: \_\_\_\_\_ Is this property reasonable necessary for operation of the organization? ☐ Yes ☐ No

## Answer These Questions About the Property Listed Above

If this is a preliminary determination of exemption, when the first application is filed is the property expected to be under active construction or physical preparation? ☐ Active Construction ☐ Physical Preparation

If this is a final determination of exemption, is this property under active construction or physical preparation? ☐ Active Construction ☐ Physical Preparation

If active construction, when will construction be completed? \_\_\_\_\_

If physical preparation, what has been done? \_\_\_\_\_

Physical preparation is when the organization has engaged in architectural or engineering work, soil testing, land clearing activities or site improvement work necessary for constructing the project or has conducted an environmental or land use study for construction of the project.

# LIH PROPERTY TAX EXEMPTION — APPLICATION REQUIREMENTS

## OWNERSHIP & NONPROFIT STATUS

- PROOF OF NONPROFIT OWNERSHIP/CONTROL
- 501(C)(3) DETERMINATION + GOVERNANCE DOCS (BYLAWS/AGREEMENTS)

## AFFORDABLE HOUSING QUALIFICATION

- CERTIFICATION OF LOW-INCOME HOUSING USE
- LURA / REGULATORY AGREEMENT WITH RENT & INCOME LIMITS

## TENANT ELIGIBILITY

- $\geq 75\%$  UNITS AT  $\leq 80\%$  AMI
- TICS + RENT ROLL SUMMARY

## Charitable Services (if applicable)

- Services provided to low-income residents
- Service logs or partner agreements

## Financial / Compliance

- Annual CPA audit or certification
- Restricted-rent operating statement

## Forms & Submission

- Comptroller Form 50-991 + local supplements
- Filed annually by appraisal district deadline



# WHICH EXEMPTIONS WHEN: CLT

BEFORE SALE OF HOME TO BUYER:

- NEED CLT EXEMPTION ON THE LAND: FORM 50-805
- ALSO DUE BY APRIL 30TH IN THE YEAR OWNED ON JAN 1 OR WHEN ACQUIRED.
- ONLY ONE TIME

# CLT PROPERTY TAX EXEMPTION — APPLICATION REQUIREMENTS

## TRUST / ORGANIZATION INFO

- LEGAL NAME AND DESIGNATION AS A COMMUNITY LAND TRUST (CLT) UNDER STATE/LOCAL LAW
- STATEMENT THAT THE CLT MEETS CHARITABLE-ORGANIZATION REQUIREMENTS UNDER THE LAW

## ✓ PROPERTY DETAILS

- DESCRIPTION OF LAND (AND HOUSING UNITS, IF OWNED BY CLT) FOR WHICH EXEMPTION IS SOUGHT
- DECLARATION THAT PROPERTY WILL BE USED EXCLUSIVELY FOR CLT-ALLOWED PURPOSES: LEASING/SELLING HOUSING OR DEVELOPING AFFORDABLE HOUSING UNDER CLT STRUCTURE

## Use & Purpose Commitment

- Confirmation that the CLT will “engage exclusively in the sale or lease of housing (or related CLT activities)” on the property

## ✓ Local Approval

- Evidence that the taxing unit (city or county) has adopted the CLT exemption before the statutory deadline (before July 1 of the tax year)

## ✓ Annual Reporting & Audit

- Independent audit of sources and uses of funds for the CLT’s most recent fiscal year

## Application for Community Land Trust Exemption

Appraisal District's Name

Phone (area code and number)

Address

City

County

State

Zip Code

**GENERAL INSTRUCTIONS:** This application is for use in claiming exemptions pursuant to Tax Code Section 11.1827. You must furnish all information and documentation required by the application.

**FILING INSTRUCTIONS:** You must furnish all information and documentation required by this application so that the chief appraiser is able to determine whether the statutory qualifications for the exemption have been met. This document and all supporting documentation must be filed with the appraisal district office in each county in which the property is located. Do not file this document with the Texas Comptroller of Public Accounts. A directory with contact information for appraisal district offices may be found on the Comptroller's website.

**EXEMPTION APPLICATIONS:** You must file the completed application with all required documentation between Jan. 1 and no later than April 30 of the year for which you are requesting an exemption.

If the chief appraiser grants the exemption, you do not need to reapply annually unless the chief appraiser requires it. You must notify the chief appraiser in writing if and when your qualification for this exemption ends. Return the completed form to the address above.

## OTHER IMPORTANT INFORMATION

Pursuant to Tax Code Section 11.45, after considering this application and all relevant information, the chief appraiser may request additional information from you. You must provide the additional information within 30 days of the request or the application is denied. For good cause shown, the chief appraiser may extend the deadline for furnishing the additional information by written order for a single period not to exceed 15 days.

State the tax year for which you are seeking this exemption.

Tax Year

## STEP 1: Provide Name and Mailing Address of Organization and Identity of Person Preparing Application

Name of Organization

Phone (area code and number)

Mailing Address

City

County

State

Zip Code

Name of Person Preparing this Application

Title

Driver's License, Personal I.D. Certificate or Social Security Number\*

If this application is for an exemption from ad valorem taxation of property owned by a charitable organization with a federal tax identification number, that number may be provided here in lieu of a driver's license number, personal identification certificate number or social security number: .....

\* Unless the applicant is a charitable organization with a federal tax identification number, the applicant's driver's license number, personal identification certificate number or social security account number is required. Pursuant to Tax Code Section 11.48(a), a driver's license number, personal identification certificate number or social security account number provided in an application for an exemption filed with a chief appraiser is confidential and not open to public inspection. The information may not be disclosed to anyone other than an employee of the appraisal office who appraises property, except as authorized by Tax Code Section 11.48(b). If the applicant is a charitable organization with a federal tax identification number, the applicant may provide the organization's federal tax identification number in lieu of a driver's license number, personal identification certificate number or social security account number.

## STEP 2: Provide Information About the Organization and Attach Documents

- Is the organization named in STEP 1 a community land trust created or designated under Local Government Code Section 373B.002? ☐ Yes ☐ No
- Is the organization engaged primarily in public charitable functions? ☐ Yes ☐ No  
If yes, using an attachment, describe the organization's activities in a narrative. The narrative description of activities should be thorough, accurate and include date-specific references to the tax year for which the exemption is sought. You may also attach representative copies of newsletters, brochures or similar documents for supporting details to this narrative.
- Does the organization perform one or more of the charitable functions specified by Tax Code Section 11.18(d)? ☐ Yes ☐ No  
If yes, identify the function(s) performed: .....  
If yes is the organization organized as a nonprofit corporation as defined by the Texas Non-Profit Corporation Act? ☐ Yes ☐ No
- Does the organization operate in a way that does not result in accrual of distributable profits? ☐ Yes ☐ No
- Does the organization operate in a way that does not result in realization of private gain resulting from payment of compensation in excess of a reasonable allowance for salary or other compensation for services rendered? ☐ Yes ☐ No
- Does the organization operate in a way that does not result in realization of any other form of private gain? ☐ Yes ☐ No
- Does the organization use its assets in performing the organization's charitable functions or the charitable functions of another charitable organization? ☐ Yes ☐ No
- Does the organization by charter, bylaw or other regulation adopted by the organization to govern its affairs direct that on discontinuance of the organization by dissolution or otherwise the assets are to be transferred to this state, the United States or an educational, religious, charitable or other similar organization that is qualified as a charitable organization under Section 501(c)(3), Internal Revenue Code of 1986, as amended? ☐ Yes ☐ No  
Attach a copy of the charter, bylaws or other documents adopted by the organization which govern its affairs.
- Does the organization engage exclusively in the sale or lease of housing as described by Tax Code Section 11.1827(b)(1)(B) and related activities? ☐ Yes ☐ No  
If no, are the other activities the development of low-income and moderate-income housing? ☐ Yes ☐ No  
Attach a description of activities that are not exclusively the sale or lease of housing and related activities.

## STEP 3: Provide Information Regarding Audit

Pursuant to Tax Code Section 11.1827(e), property may not be exempted under Tax Code Section 11.1827 unless the community land trust annually has an audit prepared by an independent auditor. The audit must include:

- a detailed report on the trust's sources and uses of funds; and
- any other information required by the governing body of the municipality or county that created or designated the trust under Local Government Code Section 373B.002.

Not later than the 180th day after the last day of the community land trust's most recent fiscal year, the trust must deliver a copy of the audit required by Tax Code Section 11.1827(e) to:

- the governing body of the municipality or county or an entity designated by the governing body; and
- the chief appraiser of the appraisal district in which the property subject to the exemption is located.

- Did the organization timely deliver the required audit to the governing body of the municipality or county or an entity designated by the governing body? ☐ Yes ☐ No  
If no, attach a statement explaining your answer.
- Did the organization timely deliver the required audit to the chief appraiser of the appraisal district in which the property subject to the exemption is located? ☐ Yes ☐ No  
If no, attach a statement explaining your answer.

# NOTICE OF SALE

AFTER sale of home to buyer:

- Notice to TCAD regarding buyer
- Include sales docs and deed restriction

November 30, 2018

VIA HAND DELIVERY by Rachel Stone  
Travis Central Appraisal District  
Attention: Chief Appraiser  
P. O. Box 149012  
Austin, Texas 78714-9012

Re: Guadalupe Neighborhood Development Corporation's (GNDC), Notice of Disposition of CHDO  
Exempt Property 3021 Father Joe Znotas Street Austin, TX 78702

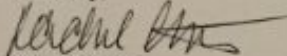
Dear Chief Appraiser:

Pursuant to Section 11.182(i), Texas Property Tax Code, GNDC notifies the Travis Central Appraisal District of its recent 2018 home sale, on previously CHDO exempt lots located at the Guadalupe Saldana Net Zero Subdivision. These homes have been sold by GNDC to eligible low/moderate income family (whose eligibility status was confirmed by the City of Austin) as part of GNDC's Community Land Trust Affordable Home Sale Program in which GNDC sells the improvements only and leases the land via a 99 year ground lease. A copy of the Resale Formula Price Schedule is provided and included as Attachment C.

On November 8, 2018, 3021 Father Joe Znotas St was sold to Steve Quiroz and Elida Quiroz by Deed for Sales of Improvement Only. A copy of the ALTA Settlement Statement, TREC New Home Contract, Deed for Sales of Improvements Only, including Attachment C - Exhibit 9.10 Resale Formula Price Schedule, is provided.

Please advise if TCAD needs additional information or documents from GNDC. Thank you for your assistance.

Sincerely,



Rachel Stone  
Assistant Executive Director, GNDC

Cc: Ignacio Trevino, TRLA  
Mark Rogers, GNDC

NOV 30 2018

**T.C.A.D.**

# TIMELINE FOR THE YEAR

## JANUARY - APRIL:

- APPLY FOR EXEMPTIONS, CHECK EXEMPTION STATUS FOR MISTAKES
- SUBMIT KNOWN VALUES TO TCAD

## APRIL - MAY:

- MONITOR VALUATIONS FOR NEEDED PROTESTS
- DECIDE WHO IS FILING PROTESTS, IF IT IS YOUR ORG, YOU NEED THE OWNER'S PINS FROM THEIR APPRAISAL LETTERS

## MAY - JUNE:

- FILE PROTESTS

## JULY - OCTOBER

- HEARINGS FOR UNRESOLVED ISSUES

# EXAMPLE OF KNOWN VALUES

## GUADALUPE NEIGHBORHOOD DEVELOPMENT CORPORATION: CLT PROPERTIES

Land PID	House PID	ADDRESS	2025 Recorded Restricted Resale Price 1/1/2025	2025 Land Value. Lease \$600/Year @ 6% Cap Rate	Improvement Exemptions	Land Exemptions	Homeowner	Land Owner
			\$118,000	\$10,000	HS	CLT		GNDC
			\$147,500	\$10,000	HS	CLT		GNDC
			\$118,000	\$10,000	HS	CLT		GNDC
			\$118,000	\$10,000	HS	CLT		GNDC
			\$125,440	\$10,000	HS, SO	CLT		GNDC
			\$123,200	\$10,000	HS, SO	CLT		GNDC
			\$145,600	\$10,000	HS, SO	CLT		GNDC

# THINGS TO KNOW WHEN THINGS GO AWRY

## TRAVIS ARB!

- [TRAVIS APPRAISAL REVIEW BOARD | TRAVIS CENTRAL APPRAISAL DISTRICT](#)
- HARDSHIP
- LATE MOTIONS

## FORMS TO USE:

50-771 (25.25(C)), 50-230 OR 50-869 (25.25(D)), 50-132 (41.411)

MAIL FORMS TO: TRAVIS CENTRAL APPRAISAL DISTRICT, P.O. BOX 149012, AUSTIN, TX 78714

FOR FILING ON BEHALF OF HOMEOWNERS, YOU NEED TO BE APPOINTED AN AGENT:

[APPOINTMENT OF AGENT FORM 50-162](#)

**ALWAYS PAY YOUR TAXES DUE, GET A REFUND LATER!**

## **OPTION 1: LATE MOTION TO CORRECT THE APPRAISAL ROLL (25.25(C))**

- CORRECT ERRORS FROM ANY OF THE LAST 5 YEARS
- FILED BY PROPERTY OWNER OR CHIEF APPRAISER
- ARB CAN CORRECT:
  - CLERICAL ERRORS AFFECTING TAXES
  - MULTIPLE APPRAISALS OF SAME PROPERTY
  - PROPERTY LISTED INCORRECTLY OR NOT EXISTING
  - WRONG OWNER LISTED ON JANUARY 1



## OPTION 2: LATE MOTION TO CORRECT OVER-APPRAISED VALUE (25.25(D))

MUST BE FILED BEFORE TAXES BECOME DELINQUENT

USED WHEN APPRAISED VALUE IS TOO HIGH

ONLY APPLIES WHEN VALUE EXCEEDS CORRECT VALUE BY:

- 25% OR MORE (HOMESTEAD)
- 33% OR MORE (NON-HOMESTEAD)

REFUNDS OF OVERPAID TAXES MAY INCLUDE A PENALTY

# PROTEST FOR FAILURE TO SEND NOTICE (41.411)

USED WHEN YOU NEVER RECEIVED A REQUIRED NOTICE

MAILED NOTICE IS PRESUMED DELIVERED, BUT YOU CAN REBUT WITH EVIDENCE

TWO-PART ARB HEARING:

- DID NOTICE FAIL?
- IF YES: VALUE HEARING FOLLOWS

AND LAST: WHEN THEY DON'T BILL YOU RIGHT!

THE TRAVIS CENTRAL APPRAISAL DISTRICT DOES NOT CALCULATE OR DISTRIBUTE TAX BILLS, ACCEPT TAX PAYMENTS, OR ISSUE REFUNDS. FOR QUESTIONS REGARDING TAX BILLS, PAYMENTS, OR REFUNDS, YOU WILL NEED TO CONTACT THE TRAVIS COUNTY TAX OFFICE

[HTTPS://TAX-OFFICE.TRAVISCOUNTYTX.GOV/](https://tax-office.traviscountytx.gov/)



See you  
soon!