



## MUELLER AFFORDABLE HOMES PROGRAM

### ***FREQUENTLY ASKED QUESTIONS & ANSWERS***

This information was last updated on June 30, 2023.

This information is provided as a general resource and is not intended to fully describe or disclose all requirements or restrictions of Mueller’s affordable housing program.

Program rules are subject to change.

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## OVERVIEW & BACKGROUND

### 1. Does Mueller offer affordable housing?

Mueller's affordable housing program includes 25% of the total for-sale and for-rent residences throughout the community. Each phase of new construction of for-sale or for-rent homes has had more or less than 25% of those homes in Mueller's affordable homes program, with the goal that the community in whole reaches 25%.

For-sale affordable homes are interspersed within each phase. For-rent affordable housing is available in Mueller apartment communities, as well as in designated properties that are targeted to seniors and working families, which are predominately affordable. All apartment communities will have at least 10% of their apartments in Mueller's affordable homes program, although many are at 15% of the total. Some apartment communities have 85-100% of their units as affordable.

### 2. What does "affordable" mean at Mueller?

The word "affordable" is a subjective term, meaning it is open to interpretation. Something can be affordable to someone but not someone else. At Mueller, "affordable" means high-quality homes built in accordance to the same Mueller Design Guidelines as all of Mueller's homes, and priced for families with lower incomes than what is considered average in the Austin area (median family income, or MFI).

### 3. Do affordable homes at Mueller look like other homes?

Yes. All housing at Mueller, in every price range, is designed in accordance with the Mueller design guidelines, which are governed by Mueller's New Construction Council. Mueller's affordable homes program includes houses, condos and apartments consistent with the Mueller master plan and design guidelines.

Generally, the builders constructing affordable housing at Mueller are also constructing other housing in the community. Mueller's for-sale affordable homes comply with the City of Austin's S.M.A.R.T. Housing™ guidelines and are required to attain a minimum three-star rating in the Austin Energy Green Building program, just like Mueller's market-rate homes

### 4. Who is [Catellus](#) and what is their role in the Mueller Affordable Homes Program?

Catellus is Mueller's primary development partner with responsibility for the community's overall development, including the initial creation and oversight of Mueller's affordable homes program.

### 5. Who is the [Mueller Foundation](#) and what is their role in the Mueller Affordable Homes Program? The



Mueller Foundation is a 501 (c)(3) nonprofit corporation created to support the Mueller community's vision and goals, including affordable housing. A result of the collaboration by Catellus, the City of Austin and Mueller homebuilders to meet the goal for affordability, homes purchased in Mueller's affordable homes program are sold for less than a conventionally priced home. The Mueller Foundation and the homeowner enter into an affordability agreement and a purchase option so that the homes will be recognized by the tax appraisal district for lower-than-market-rate tax appraisal and so that when the homeowner is ready to sell, the process is in place to keep the home affordable for the next buyer through the years. See Questions 50-51 for additional information.

**6. Who is [HomeBase Texas](#) and what is their role in the Mueller Affordable Homes Program?**

Homebase Texas, a subsidiary of Austin Habitat for Humanity, is Mueller Foundation's affordable homes resale administrator. Homebase Texas works with the Mueller Foundation and homeowners to manage the resale process of the home.

**7. Who is involved contractually in a new home purchase in the Mueller Affordable Homes Program?**

Homebuyers who have made the decision to buy a new home in the Mueller Affordable Homes Program, and have qualified for the program and for a primary mortgage, will sign a sales contract with the homebuilder specifying the terms and conditions of the sale. Included in the purchase process, they will commit to a mortgage contract with a primary lender as well as an affordability use agreement with the Mueller Foundation. More details about this are provided below.

**8. What is the pricing of Mueller's affordable homes?**

Please check with each of the homebuilders for the most accurate pricing.

ABOUT THE HOMES



## 9. Who are Mueller’s affordable home builders?

- **Lennar Homes**, also known as **CalAtlantic Homes**
  - Website: [www.lennar.com](http://www.lennar.com)
  - Phone Number: 512-489-6838
  - Address: 4401A Berkman Drive, Austin, TX 78723 (*sales model; check open hours before arriving*)
  - New Home Consultant: Phillip Norris, 512-479-7300, [phillip.norris@lennar.co](mailto:phillip.norris@lennar.co)
- **Austin Modern Lofts**
  - Website: [www.austinintown.com/mueller](http://www.austinintown.com/mueller)
  - Address: 2826 Tom Miller Street, Austin, TX
- **Parkside at Mueller**
  - Website: [www.parksidemueller.com](http://www.parksidemueller.com)
  - Number: 512.640.1881
  - Address: 1808 Aldrich St, Austin, TX 78723
  - *Exclusively listed by Prospect Real Estate - [info@prospectrealestate.com](mailto:info@prospectrealestate.com)*

## 10. How many new homes will there be in Mueller’s current section? And, how many of them are a part of the Mueller Affordable Homes Program?

There are approximately 370 homes in Mueller’s next section of homes, of which nearly 25% (approximately 90 homes) are a part of the Mueller Affordable Homes Program. Additionally, there will be some affordable condos in two upcoming properties within Mueller, one in the Aldrich Street “town center” district and one near the former control tower.

## 11. Where are these affordable homes located?

Mueller’s current section of new homes is located east of Tilley Street, south of Zach Scott Street and south and west of the continuation of Tom Miller Street. These homes are within walking distance of the upcoming Austin ISD public middle school and the Morris Williams Golf Course.

## 12. What types of affordable housing are there?

New construction homes, resale homes, and affordable rentals are all part of the Mueller Affordable Housing Program. Homebuilders can share more information about the new homes once prospective homebuyers have completed the pre-qualification process. Check the [Mueller Austin](http://Mueller Austin) website for more information.

## 13. What do the affordable homes look like compared to other homes?

From the exterior, Mueller’s affordable homes are virtually indistinguishable from other homes, using



similar building materials. Affordable home interior finishes include less customization options, but are high- quality, durable, and meet City of Austin Green Building standards. Please check with the Mueller home builders for affordable home interior finish details.

**14. Are there affordable homes with three or more bedrooms?**

There are a few homes with three bedrooms, but many of them have been purchased.

**15. Do the affordable homes have yards?**

Mueller has been planned and implemented with density in mind, meaning homes are generally on smaller lots with less space for private back or side yards. Instead, nearly every home in Mueller is within 600 feet of a park or open space. In this current of homes, families will have close access to all of Mueller’s parks, including the established and nearby Jessie Andrews and John Gaines Parks, plus the future Southeast Greenway and a future neighborhood park that will be built as the new homes are being constructed. Click [here](#) to learn more about Mueller’s parks and open spaces.



## ELIGIBILITY

### 16. Who is eligible for an affordable home at Mueller?

The Mueller Affordable Homes program is for households seeking an affordably priced home as their primary residence. Occupancy of the home is a core requirement of the program, and this requirement remains in place for 30 years or until you sell your affordable home.

New for-sale homes in the Mueller Affordable Program are primarily marketed to families at or below 80% of Austin median family income (MFI); however, Austin Modern Loft's condo/townhome project at Berkman/Tom Miller will have some homes available at 120% MFI. For rental apartments, the overall affordability benchmark is 60% of MFI.

In addition, there is an Affordable Homes resale program through the Mueller Foundation that makes a select number of affordable homes coming up for re-sale available to households making at or below 80%, 100% and 120% of MFI. If you are interested in these re-sales, apply to the program or email [info@muellerfoundation.org](mailto:info@muellerfoundation.org) to be added to the interest list.

### 17. What is median family income?

Median Family Income (MFI) is a recognized economic indicator commonly used as a benchmark in affordable homes programs. MFI is an annual gross income figure derived statistically from a geographic area or group and relates to the size of a household or family. The U.S. Department for Housing and Urban Development (HUD) and the City of Austin determine the Median Family Income for the Austin area annually.



So, what does 60% or 80% of MFI mean in dollar terms? MFI numbers change annually, but here is a snapshot of the June 1, 2023 MFI for Austin:

Household Size	60% MFI	80% MFI	100% MFI	\$120 MFI
1	\$49,080	\$65,450	\$85,600	\$102,750
2	\$56,100	\$74,800	\$97,850	\$117,400
3	\$63,120	\$84,150	\$110,050	\$132,100
4	\$70,080	\$93,450	\$122,300	\$146,750
5	\$75,720	\$100,950	\$132,100	\$158,500
6	\$81,300	\$108,450	\$141,850	\$170,250

The current chart can be found at <http://austintexas.gov/page/income-limits>

**18. What if I make more than 80% of MFI but I can't currently afford a house in Austin? Will there be anything for me at Mueller?**

There are approximately 6,900 housing units currently planned for Mueller, including a wide array of **product** types — yard houses, row houses, Mueller House condos and other condos, future home types and apartments — all in various sizes and locations and with varied features and amenities. Because of this great diversity, Mueller has housing options available to households with a broad range of incomes. In addition, a few “workforce homes” priced for 120% MFI will be coming on line; and Affordable Resale homes are priced for various levels of affordability: 80% MFI, 100% MFI and 120%MFI.

**19. What happens if income increases after the homeowner moves into his or her affordable home? This is**



only a factor for renters in the program, who must renew their income eligibility annually. Purchasers of affordable homes do not need to have their income recertified after they purchase the home.

**20. What's the difference between income eligibility and mortgage eligibility?**

Income eligibility is determined by assessing an applicant's income and assets to determine if they meet the Mueller Affordable Homes Program requirements. This income-certification process is managed by HomeBase. Mortgage eligibility is determined by assessing an applicant's income, debt, assets and credit history in order to determine if they meet the mortgage lender's requirements for a mortgage loan. This process is managed by a mortgage company's loan officer.

**21. Whom do I talk to about what homes are available and how to apply for an affordable home?** To start the Mueller affordable homes purchase process, it's best to start with the website ([www.MuellerAustin.com/affordable-homes](http://www.MuellerAustin.com/affordable-homes)). Once familiar with the program, if interested in joining the Prospective Buyer Pool, complete the brief survey [here](#).

When you have become an Approved Buyer (income eligibility-certified and mortgage-qualified), your name and contact information is shared with both the Mueller Foundation for Resales and with the various New Home Builders. They will contact you when a home is available for sale.

**22. What if I just want some basic information on the Mueller Affordable Homes Program?** General program information, as well as homebuilder and apartment community contact information, are available online at <https://muelleraustin.com/affordable-homes/> or you can contact HomeBase at [info@homebasetexas.org](mailto:info@homebasetexas.org) and 512.865.6091.

**23. How does someone qualify for affordable housing at Mueller?**

As part of the sales process, prospective buyers in the Mueller Affordable Homes Program go through a certification process with HomeBase to verify affordable home program eligibility requirements. Prospective buyers must also qualify for a home mortgage with a lender (a separate process from the income and asset certification). A list of established lenders who are familiar with the program requirements of the Mueller Affordable Homes Program can be found on the [Mueller Austin website](#). Prospective tenants in Mueller's affordable rental apartments will also need to apply and be income certified through the rental leasing agent before signing their leases. The rental income recertification occurs annually, upon lease renewal, which is coordinated with the apartment leasing agent.





**24. How long is the income eligibility certification valid?**

For homeownership, income eligibility certification is valid for six months or until an applicant has signed a contract for a home, whichever occurs first. Applicants are required to obtain a new certification if the certification expires and no home contract has been signed.

For rental apartments, income eligibility certification is valid for 90 days or until the applicant has signed a lease, whichever occurs first. Income eligibility for rental units is renewed annually at the time of lease renewal.

**25. Can I apply without having a job?**

Participants in the program must be able to obtain a mortgage and make monthly mortgage payments on their own behalf. Participants must also work a minimum of 25 hours per week unless retired or disabled. Please contact HomeBase if you have a question about unemployment and program eligibility.

**26. Can a home be purchased for a son or daughter who is a full-time student?**

The Mueller Affordable Homes Program requires at least one person in the household be employed a minimum of 25 hours/week. The son or daughter would have to be the primary borrower on the loan (co signers are acceptable) and would need to take title exclusively. The Mueller Affordable Homes Program is an owner-occupancy program, meaning the owner of the home must reside in the home as their primary residence.

**27. How do I determine how many people are in my household?**

Household size is composed of all individuals who will be occupying the home. If two people are a “couple” regardless of marital status, then both people must be included on the application. A couple in the process of a divorce or separation must submit proof of filing in order to apply separately. Co-signers are allowed, provided they do not appear on the warranty deed. Persons not counted as family members for the purpose of determining income include:

- A child who is subject to a shared-custody agreement in which the child resides with the household for *less* than 50 percent of the time;
- Unborn children; and
- Children being pursued for legal custody or adoption who are not currently living with the household.

### **28. How do I apply for the Mueller Affordable Homes Program?**

Complete the Mueller Affordable Homes Program Income Eligibility Instructions & Application and submit the application to HomeBase at [info@homebasetexas.org](mailto:info@homebasetexas.org). The applicant must also submit income and asset documentation, which will be used to determine eligibility. Please refer to the list of those required documents under Question #35 and also enclosed in the Mueller Affordable Homes Program Eligibility Instructions document. Please see the application process document for additional information. Only complete applications will be processed.

### **29. Is there a waiting list and, if so, how do I get on it?**

The affordable homes program works with a Prospective Buyer Pool. As the qualification process may take different lengths of time for different homebuyers, we encourage everyone to join our [Communication List](#) for details on how to begin the application process.

### **30. Can I use a realtor when buying a new home in the Mueller Affordable Home Program?**

Homebuyers may use a realtor, real estate agent or attorney for their home buying process. It is recommended that any real estate professional attend your first meeting with a home builder and that you check with your preferred home builder on what commission they may pay a buyer's agent.

### **31. Whom should I contact first?**

To start, join the Communications List [here](#) to receive periodic updates about the program. Once you are on the Communications List, you will receive the link to join a Prospective Buyer Pool, which you can fill out as soon as you know you would like to become a Mueller affordable homeowner. HomeBase administers the Prospective Buyer Pool and will provide you with an application to begin the income certification process. When you are both a) income certified and b) have a lender's mortgage pre-qualification, you will be added to the "Approved Buyer List". Those on the approved buyer list will be sent to home builders for new homes or to the Mueller Foundation for resale homes. You will then receive emails from the new home builders or from the Mueller Foundation resale agent, HomeBase Texas as homes become available.

To gain a broad overview of the affordable homes program, you may contact HomeBase at 512.865.6091 or [info@homebasetexas.org](mailto:info@homebasetexas.org). Interested families can also talk to the participating home builders' sales agents for home purchase and multifamily management for apartment rental. If families want to first learn more about the Mueller community, they can visit [www.MuellerAustin.com](http://www.MuellerAustin.com) or come explore the community via automobile, bus, bike or walking around.

### **32. What other home-related expenses should a homeowner be aware of?**



In addition to paying the monthly mortgage and loan interest, homeowners should expect to pay for the following monthly expenses. It is important to note that the price of the affordable home has been initially established to accommodate these fees as they are priced at the time of purchase, however these costs can increase over time and maintenance expenses can become required at unpredictable times:

- Property taxes and home insurance, which are usually rolled into the monthly mortgage payment as escrow
- Utilities, including electric, water, wastewater, trash collection and other fees, plus natural gas, cable and/or Internet service
- Monthly assessments for the Mueller Property Owner Association
- Condo assessments for homeowners who live in a condo community
- A \$25 monthly stewardship fee (or \$250/annually) to the Mueller Foundation, which helps cover the costs of ensuring the long-term viability of the Affordable Homes Program

Additionally, home-related expenses not factored into the home sales prices include:

- General maintenance and repairs to your home after New Homebuilder's home-warranties expire ● Often a home warranty program proves a useful means to manage the costs of maintenance and repairs of a homeowner.
- Design updates, landscaping upgrades and other elective home changes

## FINANCING INFORMATION



### 33. How do I know which mortgage company to use?

Each homebuilder often works with or owns a mortgage company, which may provide discounts as an incentive for using them. However, applicants may use any participating mortgage company they prefer, and should reference the [Mueller Affordable Homes Resource Guide](#) to see the established lenders that have the most experience with the Mueller Affordable Homes Program. Applicants may want to consider working with a real estate broker of their choice to help them through the process.

### 34. What documentation is required to become income-certified?

An applicant should be prepared to provide the following information along with their completed application to HomeBase for income certification. Please note, a mortgage company will ask for similar but perhaps additional information for mortgage pre-qualification. Additional information may be required to determine income certification.

- A minimum of two (2) full months most immediate past paycheck stubs for which the pay dates occurred within the last ninety (90) days.
- IF SELF EMPLOYED: In addition to the two complete years of federal returns required below, please include a current profit & loss estimate projecting income and expenses for 12 months. ● Last six (6) months of all checking & savings account statements; each bank statement must include the name of the applicant, name of the banking establishment and the reporting period on all pages. Applications must also provide a brief explanation of all non-payroll-related deposits over \$10 and indicate whether each deposit is one-time-only or recurring.
- Most current statements for CDs, brokerage accounts, stock investments, mutual funds, retirement/pension accounts, etc., and proof of value of any other asset held by any member of the household.
- Two years of signed *federal* income tax returns and corresponding W2's (If you don't have copies please request a transcript from the IRS by calling 800-829-1040). Please include both your tax return and W2 forms.
- Proof of value, as evidenced by a taxing authority or a certified real estate appraiser, and proof of current balance of any debt for any real estate owned.
- Award letter(s) if receiving social security, pension, survivor or disability payments. ● If you have been divorced since your last federal tax return was filed, a copy of your executed divorce decree OR, if you are in the process of a divorce, a copy of the petition for divorce. ● If you are divorced or legally separated, a copy of your court ordered custody arrangements, order for child support and/or alimony.
- If receiving a financial gift from another person, the person will need to provide a letter that includes the amount of the gift and when the gift will be given.



### **35. How does the Affordability Use Agreement with the Mueller Foundation work?**

The agreements with the Foundation are designed to ensure that affordable homes are available as a primary residence (NOT an investment property) for households who are income qualified.

The Foundation's agreement with the home buyer is also designed to ensure that the homes are available for future generations of buyers as well. Therefore, the appreciation on the home is "shared" between the homeowner and the Mueller Foundation, as the steward for future affordability.

The homeowner's appreciation is two percent (2%) of the affordable sales price per year. As a result, this agreement is \*currently\* recognized by the tax appraisal district, so the assessed value of the home will be limited to an increase of 2% per year of the affordable sales price (compared to the 10% allowed by law on market rate homes). Most importantly, the agreement allows future home buyers an opportunity to purchase a home in a neighborhood where they could not otherwise afford to live, while potentially (earning a fair return) how about: building assets through on their homeownership investment.

### **36. I heard Mueller's Affordable Homes Program uses a fixed-rate appreciation model, what does that mean?**

Included in the agreement with the Mueller Foundation is a designated appreciation percentage. If market conditions allow and in addition to the equity invested in the home through down payment and mortgage principal payments, the homeowner will receive two percent (2%) simple fixed appreciation per year of the affordable purchase price upon their sale of the home, less seller closing costs. The dollar amount of that appreciation depends on the original affordable sales price of the home and the length of ownership. When an affordable home is sold, payments are made in the following order:

1. The remaining primary mortgage is paid.
2. The owner is repaid the initial down payment and equity invested in paying down the primary mortgage.
3. \*The homeowner will receive 2% of the initial affordable sales price for each year they owned and occupied the property, less seller closing costs.
4. \*The Mueller Foundation is paid remaining proceeds, if any, to re-invest in sustaining affordable homes.

*\*These additional payments are made only if the home does not depreciate below the original sales price.*

This fixed-rate appreciation model allows affordable buyers to build equity and realize value on their investment in real estate, while also allowing the Mueller Foundation to reinvest funds in Mueller's affordable homes program for future use in serving more families.



**37. What is PMI and will I need it for my home loan?**

Private mortgage insurance, also called PMI, is a type of mortgage insurance you might be required to pay for if you have a conventional loan and make a down payment of less than 20 percent of the home's value. Mueller affordable homes generally do not need PMI since the buyer's loan is for the affordable sales price and not the higher market value (also known as loan-to-value ratio).

**38. Is there counseling available for homebuyers?**

Homebuyer education and credit counseling is available for buyers who are purchasing an affordable home. Visit the [Mueller Austin website](#) for a list of available resources. Additionally, the Mueller Affordable Homes Program administrator, HomeBase, can advise buyers on counseling resources when needed.

**39. Why are credit scores and debt-to-income ratios used in determined mortgage eligibility?**

A credit score is a key factor in determining whether someone qualifies for a mortgage and plays a role in determining the interest rate and payment terms on a mortgage loan. This is because lenders use what is called a "risk-based pricing model" to determine loan terms. The more likely an applicant is to pay his/her/their bills on time, based on their credit history, the lower the interest rate may be. But credit score is not the only factor that lenders consider; lenders will also look at an applicant's income and debt to ensure the applicant earns enough money each month to afford the monthly mortgage payments.

**40. I filed a joint tax return with my spouse, but have since separated. Will this affect my application?**

Yes. Verification of your separation in the form of a separation agreement will be needed for the income verification purpose. A final divorce decree will be required to close.

**41. Do mortgage co-signers have to be income-verified as well?**

No. If a relative or friend is co-signing a mortgage loan and they will not live in the home, then they do not need to be income-certified.

**42. How do I stay informed about the program over time?**

The Mueller Foundation provides a periodic newsletter, which provides helpful information about homeowner responsibilities and keeps you informed about any program changes that occur over time.

**43. Can the homeowner refinance the primary mortgage?**

Yes, if the Mueller Foundation has received proper notice and approves the refinancing. Since refinancing changes the owner's equity in the property, and since the Mueller Foundation is sharing in that equity, refinancing has to be done under terms that are agreeable to both the owner and the Foundation. To start the process, please contact the Foundation at [info@muellerfoundation.org](mailto:info@muellerfoundation.org).

**44. Could the homeowner take on a roommate or boarder who is not on the deed?**

Yes, as long as the homeowner continues to occupy the home as their primary residence and is not absent for more than 30 days. The rules for roommates and borders are governed by the Mueller Community Association (the property owners' association or POA). Please consult the Mueller Community Association for complete guidelines.

**45. Can an affordable homeowner modify his or her home? Does the homeowner need the Property Owners Association or Mueller Foundation approval?**

All exterior changes, for all homeowners in Mueller, must be submitted for approval by the Mueller Community Association (the property owners' association or POA) Modification Committee for both affordable and conventionally priced homes.

The affordable homeowner is also required to obtain Mueller Foundation approval if the modifications will require a building permit. The affordable homeowner must provide a copy of any plans for any proposed improvements, an estimated budget of the projected costs and evidence that all necessary building permits for construction have been secured prior to commencing construction, in order for the Mueller Foundation to approve the improvements. Modifications that change the air-conditioned square footage are not currently permitted.

This is necessary to ensure that any structural, mechanical, electrical and code compliances issues are addressed, in order to maintain safe, affordable housing stock in Mueller. Interior improvements not requiring a building permit do not need POA or Mueller Foundation approval. For any questions related to home improvement, contact the Mueller Foundation at [info@muellerfoundation.org](mailto:info@muellerfoundation.org).

**46. Can a homeowner pass on their home through inheritance?**



In the event of the original homeowner's death, the home's title would pass to the homeowner's designated recipients in accordance with any legal will and/or Texas law. There would be no need for heirs to "repurchase" or income qualify for the home; however, any liens for the first and second mortgages would still exist along with the purchase option and appreciation due per the model at the time of the home's sale. **The heir must occupy the home as their primary residence**, and all other provisions of the affordable homes program requirements apply. The home may not be used as a rental, except as discussed in question #56 the home must be the primary residence of the owner with a valid homestead property tax exemption filed on the home. If the heir is not interested in living in the home, then the home would be sold under the terms of the program, with the heir receiving the share of appreciation on sale that had belonged to the deceased.

#### **47. What value will property taxes be based on?**

Real estate taxes are paid by all homeowners – and in Texas they are a major portion of the expense of homeownership. Increases in home values drive increases in real estate taxes, which can make it hard for a homeowner to continue to afford their home. However, the Mueller Affordable Homes Program protects the homeowner from large increases in value and taxes. TCAD, the [Travis Central Appraisal District](#), is currently assessing homes in Mueller's affordable homes program at the original affordable sales price for the first full year of ownership. In a home sales market where values are rising, after the first year TCAD will appraise the affordable homes using an "adjusted value" calculation that is based on the original sales price of the home plus 2% of the original sales price for each year a homeowner has owned the home. This matches the fixed-rate appreciation agreement on the home. In a market where property values are declining, tax values should be based on what the property can sell for, if less than the fixed 2% appreciation formula.

Keep in mind: Homeowners should protect all their rights under the current TCAD rules, including claiming a homestead or other exemption. Homeowners must be certain to review their Notice of Appraised Value each year for accuracy of information or work with a licensed property tax consultant to make sure the appraised home value and corresponding property taxes are correct.

Knowing your rights and responsibilities is key to home ownership. Please visit <https://traviscad.org/faqs> for more information about Travis County's tax appraisal process and how you can address your home's tax assessment. For questions on the adjusted value calculation for Mueller Affordable Homes please contact HomeBase. So long as the tax laws and affordable homes program do not change over time, TCAD should continue to appraise the affordable homes in this manner. The Mueller Foundation cannot guarantee the value or rate of your property taxes.

#### **48. If a homebuyer buys an affordable home at Mueller, can they sell it later?**

In the first year of owning an affordable home at Mueller, the owner may sell back the home at the initial





affordable purchase price to the Mueller Foundation. After one year, homeowners can sell their homes by contacting the Mueller Foundation at [info@muellerfoundation.org](mailto:info@muellerfoundation.org). The Mueller Foundation will then manage the resale in accordance with your purchase documents to ensure it remains affordable to the next buyer.

**49. What happens when the home is ready to be re-sold?**

When the homeowner decides to sell the home, they must FIRST contact the Mueller Foundation at [info@muellerfoundation.org](mailto:info@muellerfoundation.org). The Foundation staff will schedule a time to discuss the resale process with the homeseller. THEN: when you decide you definitely want to sell, you will give the Resale Administrator for the Mueller Foundation notice of intent to sell in writing by certified mail.

The Mueller Foundation then has up to 60 days to inform the homeowner of its intent to buy the home during the Affordability Period.

**50. Do affordable homebuyers own their home or does the Mueller Foundation own a percentage of the home?**

When a homebuyer signs the final paperwork and closes on his or her home, the homebuyer owns the home. Lienholders (e.g. the mortgage provider) do not have ownership interest in a home, only security against it to protect their loans. The primary difference is that under Mueller's Affordable Homes Program, the affordable home will have a covenant filed that permanently documents the agreements on the use of the home, such as the 2% appreciation, requirement of use as primary residence and resale process.

The Foundation does, as a covenant holder, retain certain rights, including the right to purchase at resale and the right to have its contribution repaid in the event that a buyer vacates or rents out the property, defaults on the primary mortgage, refinances the home without the Foundation's prior approval or other event of default under the Affordability Agreement.

**51. Is this the same as a community land trust?**

No, this is not a community land trust. In a land trust, the purchaser owns the home but not the land on which it sits. The homeowner has a ground lease with a non-profit organization, and the homeowner leases the land by paying a nominal lease payment to the non-profit organization. In the Mueller Affordable Homes Program, both the home and the land are owned by the homebuyer.

**52. What happens if the home decreases below the value?**



The Mueller Foundation is repaid from net gain on the home at resale. If the value of the home decreases and is less than the affordable purchase price, the Mueller Foundation is not repaid and the owner does not receive the 2% fixed rate of appreciation return.

**53. If I own my home for 30 years what happens?**

At 30 years the homeowner has the right to terminate the Mueller Foundation affordability agreement. To terminate the agreement, the homeowner will pay the Mueller Foundation the original subsidy amount stated on the covenant and then own the home without affordability restrictions; the value of the home for tax purposes will cease to be protected by the affordability agreement.

**54. Can the homeowner ever lease his/her property to a third party?**

Affordable Homeowners at Mueller must occupy the home as their primary residence, but may have temporary roommates, or offer their home as a short-term rental for up to 45 days a year; a City of Austin’s short-term rental permit and adherence to City regulations is required. The Affordable Owner must comply with the Primary Occupancy rules contained in the Affordability Agreement and resale restrictions. Contact the Foundation for more information at [info@muellerfoundation.org](mailto:info@muellerfoundation.org).

APARTMENT RENTAL OPPORTUNITIES

**55. Where can I find information on rental opportunities in Mueller’s affordable homes program?**

Details on apartment rentals for families at or below 60% MFI are available in the Mueller Affordable



Homes Program. Prospective apartment renters should contact the apartment community's leasing office. Leasing agents have information on apartment floor plans and rental rates, along with qualification information and application materials for the affordable homes program.

**56. What if I make less than 60% of MFI? Will I ever be able to afford to live at Mueller?**

Catellus has committed to pursue strategies that may allow for deeper affordability at Mueller — striving to make for-sale and for-rent housing available for families earning incomes below the 80% or 60% MFI benchmarks now and in the future. For a full list of affordable housing communities at Mueller, check out the [Mueller Affordable Homes Resource Guide \(Page 6\)](#).

**57. How much do Mueller's affordable apartments cost?**

Apartments are affordably priced depending on the number of bedrooms in the apartment. Please contact the individual apartment communities' property managers for pricing and availability.

