

## NOTICE OF PUBLIC HEARING

### TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS SINGLE FAMILY MORTGAGE REVENUE AND REFUNDING BONDS

Notice is hereby given of a public hearing to be held by the Texas Department of Housing and Community Affairs (the "Department") at 221 East 11th Street, Room 116, Austin, Texas, at 10:00 a.m. on October 22, 2018. The hearing is regarding a plan of financing (the "Plan") consisting of the issuance, on one or more separate dates, of (i) tax-exempt single family mortgage revenue bonds to be issued in one or more series in a maximum aggregate principal amount of not more than \$850,000,000 (the "New Money Bonds"), and (ii) tax-exempt single family mortgage revenue refunding bonds to be issued in one or more series in a maximum aggregate principal amount of not more than \$150,000,000 (the "Refunding Bonds"). The New Money Bonds and the Refunding Bonds are collectively referred to as the "Bonds." The first Bonds delivered under the Plan will be delivered no later than one year following approval of the Plan pursuant to this Notice. All Bonds issued under the Plan will be delivered no later than three years following the first issue of Bonds issued pursuant to such approval.

The Bonds will be issued as "qualified mortgage bonds" under Section 143 of the Internal Revenue Code of 1986, as amended (the "Code"). A portion of the proceeds of the New Money Bonds will be used to make single family residential mortgage loans to eligible very low, low and moderate income homebuyers for the purchase of homes located within the State of Texas. The proceeds of the Refunding Bonds will be used to refund all or a portion of the Department's outstanding single family mortgage revenue bonds, the proceeds of which were used directly or indirectly to provide single family residential mortgage loans.

For purposes of the Department's mortgage loan finance programs, eligible borrowers generally will include individuals and families (a) whose family income does not exceed, (i) for families of three or more persons, 115% (140% in certain targeted areas or in certain other cases permitted under applicable provisions of the Code) of the area median income, and (ii) for individuals and families of two persons, 100% (120% in certain targeted areas or in certain other cases permitted under applicable provisions of the Code) of the area median income, and (b) who have not owned a principal residence during the preceding three years (except in the case of certain targeted area residences or in certain other cases permitted under applicable provisions of the Code). Further, residences financed with loans under the programs generally will be subject to certain other limitations, including limits on the purchase prices of the residences being acquired. All the limitations described in this paragraph are subject to revision and adjustment from time to time by the Department pursuant to changes in applicable federal or State law and Department policy.

All interested parties are invited to attend such public hearing to express their views with respect to the Department's mortgage loan finance program and the issuance of the Bonds. Questions or requests for additional information may be directed to John Tomme at the Texas Department of Housing and Community Affairs, 221 East 11th Street, Austin, Texas 78701; telephone (512) 475-3832.

Persons who intend to appear at the hearing and express their views are invited to contact John Tomme in writing in advance of the hearing. Any interested persons unable to attend the hearing may submit their views in writing to John Tomme prior to the date scheduled for the hearing.

TDHCA WEBSITE: <http://www.tdhca.state.tx.us/bond-finance/index.htm>

Individuals who require auxiliary aids for the hearing impaired should contact Terri Roeber, ADA Responsible Employee, at (512) 475-3959, or Relay Texas at 800-735-2989 at least three days before the hearing so that appropriate arrangements can be made.

Non-English speaking individuals who require interpreters should contact Elena Peinado at (512) 475-3814 at least three days before the hearing so that appropriate arrangements can be made. Personas que hablan español y requieren un intérprete, favor de llamar a Elena Peinado al siguiente número (512) 475-3814 por lo menos tres días antes de la junta para hacer los preparativos apropiados.

This notice is published and the above-described hearing is to be held in satisfaction of the requirements of Section 147(f) of the Code regarding the public approval prerequisite to the excludability of interest on the Bonds from gross income for federal income tax purposes.