



# WHEDA Program Information

# Affordable Apartments

For households with a moderate income

The Wisconsin Housing and Economic Development Authority (WHEDA) Section 42 Rental Tax Credit Program is regulated under the IRS tax codes to provide housing to those households with moderate income.

The following Highlands Communities have the Section 42 WHEDA program and have set aside apartments for applicants with incomes below 50% or in some cases, below 60% of the County Median Income. A list of communities and the income limits that apply as of **April 1, 2025**, are as follows:

		One Person	Two People
Nicolet Highlands LLC in De Pere	50% Income Limits:	\$37,450	\$42,800
Birchwood Highlands LLC in Weston	50% Income Limits:	\$34,600	\$39,550
	60% Income Limits:	\$41,520	\$47,460
Ridgeview Highlands LLC in Appleton	50% Income Limits:	\$39,050	\$44,600
Foresthill Highlands LLC in Franklin and	50% Income Limits:	\$38,750	\$44,300
Highlands at Mahler Park LLC in Neenah	50% Income Limits:	\$36,300	\$41,450
Highlands at River Crossing LLC in Winneconne	50% Income Limits:	\$36,300	\$41,450
	60% Income Limits:	\$43,560	\$49,740

Effective Date: April 1, 2025

## FREQUENTLY ASKED QUESTIONS

### How do I find out if I'm eligible for a Section 42 WHEDA apartment?

You will complete a questionnaire that asks for information regarding family size, student status, financial assets plus gross income and provide documents to assist with verifying the accuracy of such information. These factors determine your eligibility for this program and will be reviewed by our Compliance Specialist.

### How is my rent determined?

Rent guidelines are set by the federal Department of Housing and Urban Development (HUD) based on the median county income. Your actual rent is set at or below the maximum rent limit allowed for your community.

### Do I have to verify my income every year?

Yes. Every year you must recertify your family size, student status, financial assets, and gross income before you sign your Rental Agreement Renewal. If you exceed the maximum allowable income for your apartment by more than 140%, we would try to accommodate you with another apartment home.

See reverse side for additional Frequently Asked Questions



## **WHEDA Frequently Asked Questions continued...**

### **Why do the limits vary from one property to another?**

HUD reviews incomes in every county or metropolitan area across the United States annually and publishes limits based on County Median Income. Highlands Communities are required to use the income guidelines for the county or metropolitan area they are located in.

### **What is counted as income?**

All of your gross anticipated income for the following 365 days starting with your lease start date is included. Some examples are Employment, Social Security, Pensions, Annuities, Required Minimum Distribution and Periodic Withdrawals from IRAs, Gift Income, or Expenses paid by others for you, etc.

### **How are assets counted?**

Interest and dividends from assets are counted as income whether the interest or dividends are taken or reinvested. Examples of assets include: Savings Accounts, Money Market Accounts, Certificates of Deposit, Stocks, Bonds, Cash Value of Life Insurance Policies, and Annuities.

### **I own a home. Is it counted as income and if so, how?**

Yes, however, an imputed rate is applied to the Fair Market Value of the home and is counted as income. Currently, that rate is 0.45% and is reviewed by HUD annually. The Fair Market Value can be taken from a recent assessment or from the amount shown on your Property Tax Statement.

### **How is the Section 42 Program different from other WHEDA rental assistance programs such as Section 8?**

While qualifying for different WHEDA programs is similar, there are some differences. Participants of the Section 42 program have their rent capped at a fixed amount and the rent does not fluctuate if their income changes. In contrast, Section 8 programs determine rent based on 30% of a resident's income and their rent can fluctuate if their income changes. Residents in the Section 42 program are also eligible to apply for a Section 8 Rent Voucher and receive Rent Assistance from the local Section 8 Housing Authority which pays for a portion of their rent for them in our community.

### **If I meet income qualifications, do I automatically get an apartment?**

If you qualify for the Section 42 WHEDA apartments, your application will be further processed using standard resident screening policies and procedures. Approval is subject to availability of Section 42 WHEDA apartments.

### **Can I take a tax credit on my tax return?**

The tax credit applies to the apartment owner, not to your personal income taxes. However, based on your income, you may be eligible for other rent or Homestead Tax credits.

### **Why are some of the apartments not restricted by income?**

Many owners choose to develop mixed-income housing also offering apartments priced at Market Rental rates. Typically, a Section 42 WHEDA apartment rents for at least \$125 less per month than a comparable Market Rate apartment, and in many cases the savings are much higher.

### **If I choose to rent a Market Rate apartment but later find out I qualify for a Section 42 WHEDA apartment, can I remain in the apartment that I originally rented?**

No, Highlands Communities Inc. has set aside certain apartments for this program. If a Section 42 WHEDA apartment is available, you may be able to transfer.

### **How do I apply for this program?**

Check with our Leasing Specialist to see if there are any Section 42 WHEDA apartments available. If no WHEDA apartments are available, we encourage you to set up notifications of upcoming openings on our website.

**If you have any further questions about this program, please contact our Highlands Communities Inc. Compliance Specialist at (920) 968-8123 or via email at [jtessen@ardenpropertygroup.com](mailto:jtessen@ardenpropertygroup.com).**

