

## **HOME Rents and Income Limits**

The HOME Program restricts the rents for HOME units and the incomes of the tenants in HOME units throughout the HOME affordability period. HOME Program Rents, HOME Program Income Limits and VSHA Utility Allowances can be found on the following pages. Each of these is revised annually by HUD and VSHA. HOME staff will send you revisions as they are issued. HOME rent and income limits are also available at <http://www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm>.

### **Rent Limits for Multi-Family Rental Projects:**

HOME units are considered to be either High HOME units or Low HOME units and rents may not exceed HUD's published High or Low HOME rents accordingly. Rents for High HOME units are restricted to the lessor of HUD's Fair Market Rent (FMR) or the High HOME Rent. In projects with five or more HOME units, the rents for 20% of the HOME units are restricted to the lessor of the HUD FMR or the Low HOME Rent. These are gross rents and must include allowances for any tenant paid utilities other than telephone or cable television charges. If utilities are not included in the rent, please consult the VSHA Utility Allowance Chart.

The High HOME Rent is calculated at 30% of adjusted income for households at 65% of the area median income (AMI) and the Low HOME Rent at 30% of adjusted income for households at 50% of the AMI.

Rents for Single Room Occupancy units that have neither food preparation nor sanitary facilities, or only one, may not exceed 75% of HUD's FMR for a zero bedroom unit.

In projects utilizing Low Income Housing Tax Credits, the program with the more restrictive rent applies.

When units receive Federal or State project-based rental subsidies and are occupied by very low-income households, the HOME rent limits do not apply. Rents on units occupied by tenants holding Section 8 vouchers must remain within HOME limits.

### **Incomes Limits for Multi-Family Rental Projects:**

HOME units must meet the following criteria regarding resident income:

- Upon initial lease-up HOME units must be occupied by tenants having incomes at or below 80% AMI\*;
- 90% of all HOME funds must go to households having incomes below 60% AMI; and
- Low HOME units are to be occupied by tenants with incomes at or below 50% AMI.

Upon move-in, the household incomes of tenants in HOME rental units must be at or below 60% AMI. Tenants in Low HOME units must have incomes at or below 50% AMI. These are initial occupancy requirements. Tenants are not required to move out of HOME units if their incomes increase to more than 60% AMI.

\*If a HOME tenant's household income goes above 80% of the median, the rent must be increased to 30% of the household's adjusted monthly income, not to exceed market rent for comparable unassisted units. (This requirement does not apply to households in Low Income Housing Tax Credit units).

**Income Limits for Mobile Home Parks:**

At initial lease-up, residents of owner-occupied mobile homes on HOME lots must have household incomes at or below 80% of the area median income. Annual recertifications are not required for tenants in owner-occupied mobile homes.