

To: Property Owners and Managers

Date: May 10, 2021

From: Edward Swiontek, HOME Program Administrator

Compliance Memorandum: 2021 Rent and Income Limits for HOME Program

The U.S. Department of Housing and Urban Development (HUD) has released the FY2021 Income and Rent Limitations, effective as of June 1, 2021, for the HOME Investment Partnership Program. The limits are published on the ND Department of Commerce Division of Community Services' (DCS) website, <https://www.communityservices.nd.gov/communitydevelopment/Programs/HOMEProgram/>.

## **IMPLEMENTATION GUIDANCE**

### **Rent**

A HOME project's Gross Rent Floors are established in each project's Financial Award. Gross Rent Floors are the minimum gross rents a project will be required to lower rents to throughout the project's HOME Affordability Period regardless of future rent maximum changes within the HOME Program. Projects' rents may never exceed the currently effective rent limits, but also are not required to decrease gross rents below their project's Gross Rent Floors as stated in the Financial Award.

Property owners and managers should compare their project's current Gross Rents for Home-Assisted Units to the annually published HOME Rent Limits to determine if a unit's tenant-paid rent must be decreased to ensure the unit's Gross Rent does not exceed the newly published limits as of the new limit's Effective Date. Project are not required to decrease Gross Rents for HOME-Assisted Units beyond their project's Gross Rent Floors listed in the Financial Award.

HOME regulations require ANY increase in a HOME-Assisted Unit's tenant-paid rent to be reviewed and approved annually by the state's Participating Jurisdiction, currently DCS.

If at any time you are considering any tenant-paid rent increase to a HOME-Assisted Unit, submit a formal request to the Participating Jurisdiction for consideration.

### **Income**

A unit's household income must be determined initially and be re-examined each year during the Period of Affordability in accordance with HOME regulations.

Over-income households at recertification: Initially qualified HOME-Assisted Units continue to qualify as HOME-Assisted Units despite temporary non-compliance of over-income households so long as the owner has taken actions allowable by regulation.

### **Questions**

If you have any questions regarding the new program limits, contact the Edward Swiontek at 701-328-2458 or by email at [eswiontek@nd.gov](mailto:eswiontek@nd.gov).