



To: Property Owners and Managers

Compliance Memorandum: 25-02

From: Coreen Rittenbach, Compliance Coordinator  
Community Housing and Grants Management Division

Date: June 2, 2025

Re: Notice of 2025 HOME Investment Partnership Program Rent and Income Limits

The U.S. Department of Housing and Urban Development (HUD) has released the Fiscal Year 2025 Income and Rent Limits, effective **June 1, 2025**. The North Dakota Housing Finance Agency (NDHFA) has published the updated HOME limits on its website at [www.ndhfa.org](http://www.ndhfa.org). To access the information, navigate to **Compliance Programs > HOME, Housing Trust Fund and NSP > HOME Rent and Income Limits**.

### **Guidelines to Apply Rent, Income Limit, and Utility Allowance Updates**

#### **RENT: Gross Rent Floors in HOME Projects**

Each HOME project has Gross Rent Floors established in its Financial Award. These floors represent the minimum gross rent levels required throughout the HOME Period of Affordability, regardless of future decreases in HOME rent limits. While rents may never exceed the current HOME rent limits, property owners are not required to reduce rents below the Gross Rent Floors specified in their Financial Award.

Owners must annually compare the current gross rents of HOME-assisted units to the published HOME Rent Limits. If a unit's gross rent exceeds the new limits as of the effective date, tenant-paid rent must be adjusted to ensure compliance. However, rents should not be reduced below the project's Gross Rent Floors.

#### **RENT APPROVAL: Annual Review and Submission Requirements**

Each year, rents for HOME-assisted units must be reviewed and approved by the NDHFA. Within 30 days of receiving notification of the updated HOME rent limits, Owners are required to submit the [HOME Annual Rent Approval form](#) to [hfacompliance@nd.gov](mailto:hfacompliance@nd.gov).

The submission must include an updated utility allowance to support the rent approval request.

#### **HOME UTILITY ALLOWANCE: Updated per the 2025 HOME Final Rule**

Owners of HOME-funded projects are now permitted to use the utility allowances established by the local Public Housing Authority for the Section 8 Housing Choice Voucher (HCV) program in the area where the property is located.

- Utility allowances must be implemented project-wide.
- A project may not use more than one utility allowance method for the project.

**INCOME: Determining and Monitoring Household Eligibility**

Household income for each HOME-assisted unit must be determined at move-in and re-examined annually throughout the project's Period of Affordability, in accordance with HOME program regulations (refer to Section 1.20 of the updated HOME, Housing Trust Fund and NSP Compliance Manual).

A unit that is initially occupied by an income-eligible household will continue to qualify as a HOME-assisted unit even if the household's income later exceeds the limit—provided the Owner takes the appropriate corrective actions in response to the change. (See Section 2.12 of the Compliance Manual.)

If you have any questions, contact the compliance coordinator at [hfacompliance@nd.gov](mailto:hfacompliance@nd.gov) or (701) 328-8046.