

RENT LIMITS

For projects with one to four (1-4) HOME-assisted units (HAUs), the maximum rent to be charged initially is established by HUD for the area. This figure is the lesser of the HUD published High HOME Rent (65% Rent Limit) or the FMR. Household income when there are 1-4 HAUs for initial tenants must be less than 60% AMI. Subsequent household tenants can have incomes at or below 80% AMI.

For projects with five (5) or more HOME-assisted units, 20% of the assisted units must be rented at the lesser of the Low HOME Rent (50% Rent Limit) or the FMR. The remaining 80% of the units must be rented at the lesser of the HUD published High HOME Rent (65% Rent Limit) or the FMR. Household income for 80% of the HAUs must be below 60% AMI for the initial tenants, and must be below 50% AMI for 20% of the HAUs. Subsequent tenants can have income up to 80% AMI for 80% of the HAUs and up to 50% AMI for 20% of the HAUs.

For current HOME Program **Rent Limits**, go to <http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/>, click on current year and click on the state of MI. These rent limits include Low HOME, High HOME, Fair Market Rent (FMR), 50% and 60% rent limits. The FMRs are also posted on OPAL.

If you have any questions about Rent Limits, please refer to Policy Bulletin #25 or contact your Community Development Specialist.