MANAGEMENT BULLETIN #415

Date       June 11, 2012

To         Owners/Agents/Managers of IHDA
            HOME financed developments

From       Diane Smith, Assistant Director
            Asset Management Services

Re:  Income/Rent Limits for 2012
     HOME Program Rent Schedule Format

Please note that IHDA has reversed its practice of providing a rent schedule with only maximum rent
limits in response to HOME regulations. In December 2010, IHDA staff sent a Management Bulletin #384
which stated that we would no longer reflect the approved rents charged at your development sites. This
change was largely caused by the HERA Act and how it affected the 2009 published rent/income limits.

Since HUD is proposing stricter HOME program compliance regulations in the near future, we believe that
IHDA’s review and approval of a rent schedule reflecting the actual rents charged at your site (by
bedroom size and area median income percentage) will assist you in maintaining required program
compliance. Therefore, we will require you to submit your proposed rent increases for HOME units
annually, and IHDA staff will then send you a rent schedule reflecting the approved rents.

Please be reminded that the Maximum HOME rents published by HUD and IHDA are gross rents.
Consequently, the total of the proposed rent and the current utility allowance on the rent schedule may
not exceed the Maximum HOME rent. In addition, you must choose the most restricted rent when HOME
is combined with other programs, including Tax Credits.

This new process took effect in April 2012, and you may have already received an IHDA rent schedule
reflecting the approved rents at your site. The latest Maximum HOME rent limits published by HUD
became effective February 9, 2012. Please contact your Asset Manager/MOR Specialist with any
questions you may have.