

**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.