

MANAGING RENTAL UNIT MIX UNDER HOME

FIXED			FLOATING		
Low HOME Unit			Low HOME Unit		
	Change in Tenant Income at Recertification	Owner Action		Change in Tenant Income at Recertification	Owner Action
	Existing tenant income remains $\leq 50\%$	Update rent to currently published Low HOME rent - utilities (net rent)		Existing tenant income remains $\leq 50\%$	Update rent to currently published Low HOME rent - utilities (net rent)
	Existing tenant income rises above 50% but $\leq 80\%$	Unit remains Low HOME (no change in rent) until there is a vacancy in High HOME unit. When High HOME unit is vacant, change that unit to Low HOME & rent to VLI household at net Low HOME rent. Now can designate original unit as High HOME & raise rent for original tenant to net High HOME rent. May also wish to check to see if swap possible with existing High HOME unit whose tenant income is $\leq 50\%$ AMI. If yes, can swap unit designation.		Existing tenant income rises above 50% but $\leq 80\%$	Unit remains Low HOME (no change in rent) until there is a vacancy in High HOME-assisted unit. When High HOME unit is vacant, change that unit to Low HOME & rent to VLI household at net Low HOME rent. Now can designate original unit as High HOME & raise rent for original tenant to net High HOME rent. May also wish to check to see if swap possible with existing High HOME unit whose tenant income is $\leq 50\%$ AMI. If yes, can swap unit designation.
	Existing tenant income rises above 80%	Increase rent to 30% adjusted income. When HOME-assisted unit available, rent to VLI household at net Low HOME rent. Project remains "temporarily out of compliance" until existing OI tenant chooses to move out.		Existing tenant income rises above 80%	Increase rent to lesser of 30% adjusted income or market rent. When market unit available, rent to VLI household at net Low HOME rent OR check to see if tenant in a market rate unit happens to be VLI. If yes, can swap unit designation. At this point, original unit becomes market unit not subject to any HOME restrictions. Instead, if high HOME unit becomes available, rent at Low HOME to VLI household. To maintain total required HOME assisted units, next available market rate unit becomes High HOME unit rented to LI household & OI unit becomes market rate no longer subject to HOME rules.
High HOME Unit			High HOME Unit		
	Change in Tenant Income at Recertification	Owner Action		Change in Tenant Income at Recertification	Owner Action
	Existing tenant income falls $\leq 50\%$	Check to see if swap possible with existing Low HOME unit whose tenant income is between 50 - 80% AMI. If yes, can swap unit designation. If no, existing unit can remain as High HOME at currently published High HOME rent - utilities (net rent).		Existing tenant income falls $\leq 50\%$	Check to see if swap possible with existing Low HOME unit whose tenant income is between 50 - 80% AMI. If yes, can swap unit designation. If no, existing unit can remain as High HOME at currently published High HOME rent - utilities (net rent).
	Existing tenant income remains above 50% but $\leq 80\%$	Update rent to currently published High HOME rent - utilities (net rent)		Existing tenant income remains above 50% but $\leq 80\%$	Update rent to currently published High HOME rent - utilities (net rent)
	Existing tenant income rises above 80%	Increase rent to 30% adjusted income. When High HOME-assisted unit available, rent to LI household at High HOME rent. Project remains "temporarily out of compliance" until the existing OI tenant chooses to move out.		Existing tenant income rises above 80%	Increase rent to lesser of 30% adjusted income or market rent. When market rate unit available, rent to LI household at High HOME rent OR check to see if tenant in a market rate unit happens to be LI. If yes, can swap unit designation. At this point, original unit becomes market unit not subject to any HOME restrictions.

SUMMARY OF STEPS: MANAGING RENTAL UNIT MIX UNDER HOME

