

TO: Owners and Managers of HOME assisted Projects
FROM: Affordable Housing Connections, Inc.
DATE: April 30, 2024
SUBJECT: **2024 HOME Program Income and Rent Limits**

Affordable Housing Connections (AHC) monitors compliance of rental projects awarded Federal HOME Investment Partnerships Program (HOME) funding from the following Participating Jurisdictions (PJs):

- **Hennepin County**
- **City of Minneapolis**
- **City of Saint Paul**
- **City of Woodbury**
- **St. Louis County**
- **Ramsey County**
- **Washington County CDA**

At your PJ's request, we are providing the following information:

The recently published HOME Program income and rent limits for the Minneapolis–St. Paul–Bloomington, MN–WI MSA and Counties in the Northeast MN HOME Consortium will be **effective on June 1, 2024**. These and limits for other local and national jurisdictions are available on HUD Exchange at the links below:

- [2024 HOME Income Limits](#)
- [2024 HOME Rent Limits](#)

Please note that the HOME Program's 30% income limits may be different than the extremely low-income limits for the Section 8 Program. The 60% limits are calculated in accordance with current IRS guidelines to ensure consistency between the HOME Program and the LIHTC Program.

The **Low HOME** Rent Limit for an area is 30% of the annual income of a family whose income equals 50% of the area median income, as determined by HUD, capped by the High HOME Rent Limit. The **High HOME Rent** Limit is the lesser of the Section 8 Fair Market Rent (FMR) for the area or a rent equal to 30% of the annual income of a family whose income equals 65% of the area median income, as determined by HUD.

HUD's Program Parameters and Research Division calculates the HOME rents each year using the FMRs and the Section 8 Income Limits. For information only, the HOME Program Rent Limit worksheets include the 2024 FMRs, the 65% rent limits, and the 50% rent limits. HUD is continuing to provide this information so that PJs will know which of the "lesser of" standards has been applied. Some jurisdictions may also find this information useful in designing local programs that do not use HOME funds.

The HOME Rent Limits are applicable to new leases and lease renewals effective on/after **June 1, 2024**. The maximum allowable rent for HOME assisted units includes the unit rent, an amount for utilities paid by the tenant (*using the correct utility allowance for the project*) and all non-optional charges. This amount is referred to as the **Gross Rent**. **Projects must carefully review current Gross Rents**. If the new rent limits are lower than a unit's current Gross Rent, or if rent increases anticipated in 2024 (for new leases and/or lease renewals executed on/after June 1, 2024) would cause the Gross Rent amount to exceed the HOME rent limit, the rents must be adjusted downward, with the following exception in accordance with the HOME Final Rule:

§ 92.252 Qualification as Affordable Housing: Rental Housing

f. Subsequent rents during the affordability period.

1. The maximum HOME rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes. HUD then provides the new maximum HOME rent limits to participating jurisdictions. Regardless of changes in fair market rents and in median income over time, *the HOME rents for a project are not required to be lower than the HOME rent limits for the project in effect at the time of project commitment.*

2024-2025 RENT INCREASE APPROVALS

All rent increases must be approved by the PJ before implementation. The project owner may be required to reimburse overpayments if this requirement is violated. A [HOME Rent Increase Request Form](#) must be completed and submitted to AHC along with the appropriate utility allowance source document used at your project showing the total of tenant paid utilities for each Unit Type and Bedroom Size. AHC staff will review the rents and utility allowance for compliance and forward the information to the PJ for further action. **Rent increases should not be implemented without prior written approval.**

Any leases executed on/after June 1, 2024 must comply with the 2024 rent limits. For existing tenants, please note that any increase in rent for HOME assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase (or decrease) in rents.

Please contact your AHC portfolio contact with any questions and concerns you may have.

Thank you.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

HOME Program Rent and Income Guidelines

(Compiled and provided to owner/manager by AHC)

Minneapolis-St. Paul-Bloomington, MN-WI HUD Metro FMR Area

2024 Adjusted HOME Income Limits

Effective Date: June 1, 2024

	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Minneapolis-St. Paul-Bloomington, MN-WI HUD Metro FMR Area								
30% LIMITS	26100	29800	33550	37250	40250	43250	46200	49200
VERY LOW INCOME-50%AMI	43500	49700	55900	62100	67100	72050	77050	82000
60% LIMITS	52200	59640	67080	74520	80520	86460	92460	98400
LOW INCOME-80%AMI	68500	78250	88050	97800	105650	113450	121300	129100

2024 HOME Program Rents

Effective Date: June 1, 2024

	75% of OBR*	OBR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Minneapolis-St. Paul-Bloomington, MN-WI HUD Metro FMR Area								
LOW HOME RENT	881	1087	1165	1397	1615	1801	1988	2173
HIGH HOME RENT	881	1174	1327	1622	2066	2285	2502	2720
FOR INFORMATION ONLY								
FAIR MARKET RENT	n/a	1174	1327	1622	2188	2478	2850	3221
50% RENT LIMIT	n/a	1087	1165	1397	1615	1801	1988	2173
65% RENT LIMIT	n/a	1394	1494	1796	2066	2285	2502	2720

**If SRO housing has units with neither food preparation nor sanitary facilities, or with one (food preparation OR sanitary facilities), gross rent may not exceed 75% of the HUD-published FMR limit for a 0-BR unit.*

Northeast Minnesota HOME Consortium

2024 Adjusted HOME Income Limits

Effective Date: June 1, 2024

	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Duluth, MN-WI HUD Metro FMR Area (St. Louis County)								
30% LIMITS	20000	22850	25700	28550	30850	33150	35450	37700
VERY LOW INCOME-50%AMI	33350	38100	42850	47600	51450	55250	59050	62850
60% LIMITS	40020	45720	51420	57120	61740	66300	70860	75420
LOW INCOME-80%AMI	53350	60950	68550	76150	82250	88350	94450	100550
Cook County, MN								
30% LIMITS	20400	23300	26200	29100	31450	33800	36100	38450
VERY LOW INCOME-50%AMI	33950	38800	43650	48500	52400	56300	60150	64050
60% LIMITS	40740	46560	52380	58200	62880	67560	72180	76860
LOW INCOME-80%AMI	54300	62050	69850	77600	83800	90000	96250	102450
Itasca County, MN								
30% LIMITS	19250	22000	24750	27500	29700	31900	34100	36300
VERY LOW INCOME-50%AMI	32100	36650	41250	45800	49500	53150	56800	60500
60% LIMITS	38520	43980	49500	54960	59400	63780	68160	72600
LOW INCOME-80%AMI	51350	58650	66000	73300	79200	85050	90900	96800
Koochiching County, MN								
30% LIMITS	19250	22000	24750	27500	29700	31900	34100	36300
VERY LOW INCOME-50%AMI	32100	36650	41250	45800	49500	53150	56800	60500
60% LIMITS	38520	43980	49500	54960	59400	63780	68160	72600
LOW INCOME-80%AMI	51350	58650	66000	73300	79200	85050	90900	96800
Lake County, MN HUD Metro FMR Area								
30% LIMITS	20200	23100	26000	28850	31200	33500	35800	38100
VERY LOW INCOME-50%AMI	33650	38450	43250	48050	51900	55750	59600	63450
60% LIMITS	40380	46140	51900	57660	62280	66900	71520	76140
LOW INCOME-80%AMI	53850	61550	69250	76900	83100	89250	95400	101550

2024 HOME Program Rents

Effective Date: June 1, 2024

	75% of OBR*	OBR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Duluth, MN-WI HUD Metro FMR Area (St. Louis County)								
LOW HOME RENT	572	762	868	1071	1238	1381	1523	1666
HIGH HOME RENT	572	762	868	1113	1485	1739	1900	2061
FOR INFORMATION ONLY								
FAIR MARKET RENT	n/a	762	868	1113	1485	1889	2172	2456
50% RENT LIMIT	n/a	833	893	1071	1238	1381	1523	1666
65% RENT LIMIT	n/a	1064	1141	1372	1576	1739	1900	2061
Cook County, MN								
LOW HOME RENT	460	613	806	905	1205	1309	1505	1697
HIGH HOME RENT	460	613	806	905	1205	1309	1505	1702
FOR INFORMATION ONLY								
FAIR MARKET RENT	n/a	613	806	905	1205	1309	1505	1702
50% RENT LIMIT	n/a	848	909	1091	1261	1407	1552	1697
65% RENT LIMIT	n/a	1084	1163	1397	1605	1771	1936	2101
Itasca County, MN								
LOW HOME RENT	609	802	817	1031	1191	1328	1466	1603
HIGH HOME RENT	609	811	817	1059	1280	1431	1646	1860
FOR INFORMATION ONLY								
FAIR MARKET RENT	n/a	811	817	1059	1280	1431	1646	1860
50% RENT LIMIT	n/a	802	859	1031	1191	1328	1466	1603
65% RENT LIMIT	n/a	1023	1097	1318	1515	1670	1824	1978
Koochiching County, MN								
LOW HOME RENT	460	613	689	905	1141	1309	1466	1603
HIGH HOME RENT	460	613	689	905	1141	1309	1505	1702
FOR INFORMATION ONLY								
FAIR MARKET RENT	n/a	613	689	905	1141	1309	1505	1702
50% RENT LIMIT	n/a	802	859	1031	1191	1328	1466	1603
65% RENT LIMIT	n/a	1023	1097	1318	1515	1670	1824	1978
Lake County, MN HUD Metro FMR Area								
LOW HOME RENT	581	774	860	1081	1249	1393	1538	1681
HIGH HOME RENT	581	774	860	1130	1502	1754	1917	2080
FOR INFORMATION ONLY								
FAIR MARKET RENT	n/a	774	860	1130	1502	1918	2206	2493
50% RENT LIMIT	n/a	841	901	1081	1249	1393	1538	1681
65% RENT LIMIT	n/a	1074	1152	1384	1590	1754	1917	2080

*If SRO housing has units with neither food preparation nor sanitary facilities, or with one (food preparation OR sanitary facilities), gross rent may not exceed 75% of the HUD-published FMR limit for a 0-BR unit.