

WHAT CAN I CHARGE FOR RENT?

This guide will help owners understand how rent is determined on the Housing Choice Voucher program.

The maximum allowable rent depends on:

HOUSING AUTHORITY VARIABLES



PAYMENT STANDARD

Maximum monthly rental assistance a tenant can receive
--Lesser of voucher or unit size--



UTILITY ALLOWANCE

Tenant-paid utilities are considered part of gross rent



RENT REASONABLENESS

Ensures that rent charged to the assisted unit is comparable to similar unassisted units



40% AFFORDABILITY RULE

Tenants may not pay more than 40% of their monthly income toward rent
-- Initial lease term only --

TENANT VARIABLES



MONTHLY INCOME

Tenant typically pays 30% - 40% of income toward rent
-- Initial lease term only --



VOUCHER SIZE

Determines the payment standard for which the tenant qualifies

UNIT VARIABLES



UTILITY CHARGES

If the tenant pays for any utilities, a utility allowance is calculated



NUMBER OF BEDROOMS

Used to determine utility allowance and rent reasonableness



UNIT TYPE

Used to determine utility allowance and rent reasonableness



Please scan the QR code for more information on the Housing Authority website

RENT APPROVAL PROCESS

1. Gross rent is calculated (contract rent + utility allowance)
2. Tenant's contribution to gross rent is calculated (typically, 30% of their monthly income)
3. Tenant's contribution is subtracted from the lesser of gross rent or the applicable payment standard
4. Housing assistance payment (HAP) is equal to the remaining balance from step 3 and if gross rent is greater than the payment standard, the tenant's contribution is adjusted to cover the difference
5. *Rent reasonableness* is determined and the tenant contribution's is checked against the *40% affordability rule*
-- The Housing Authority may request a lower contract rent based on the results of these tests --
6. Rent is approved!

Next Steps for Initial Lease-Ups: (1) Schedule and pass an inspection & (2) sign HAP contract