



Table of Income and Rent Limits

Community Development Block Grant (CDBG) HOME Investment Partnerships Program (HOME)

Income Limits

(effective 7/1/2020)

Household Size	Extremely Low Income	Very Low Income	Low Income	
	30% Median Income	50% Median Income	60% Median Income	80% Median Income
1	\$21,250	\$35,450	\$42,540	\$54,950
2	\$24,300	\$40,500	\$48,600	\$62,800
3	\$27,350	\$45,550	\$54,660	\$70,650
4	\$30,350	\$50,600	\$60,720	\$78,500
5	\$32,800	\$54,650	\$65,580	\$84,800
6	\$35,250	\$58,700	\$70,440	\$91,100
7	\$37,650	\$62,750	\$75,300	\$97,350
8	\$40,100	\$66,800	\$80,160	\$103,650

Rent Limits

	Effective	SRO	Efficiency	1 BDR	2 BDR	3 BDR	4 BDR	5 BDR	6 BDR
Low HOME Rent	7/1/2020	\$528	\$705	\$774	\$1,011	\$1,315	\$1,467	\$1,619	\$1,771
High HOME Rent	7/1/2020	\$528	\$705	\$774	\$1,011	\$1,458	\$1,775	\$2,024	\$2,197
Fair Market Rent	7/1/2020	\$528	\$705	\$774	\$1,011	\$1,458	\$1,775	\$2,041	\$2,308

Review your agreement to determine applicable rent limits. All HOME and many CDBG agreements limit rent to the applicable rent limit minus the tenant-paid utility allowance as provided by ICHA or HUD. Example: Tenant pays for electricity only and the utility allowance for electricity is \$80. Rent for a one-bedroom HOME-assisted unit cannot exceed \$694 (\$774-80) if the HOME agreement restricts rent to the Low HOME rent. If a HOME-funded project assists five or more units, 20% of units must be leased at or below the low HOME rent.

The Fair Market Rents (FMR) for units larger than six bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. FMRs for single-room occupancy units are .75 times the zero bedroom (efficiency) FMR.

NOTE: The payment standard for Section 8 tenants may be higher than the rent limits shown here. Regardless of the payment standard, rent cannot exceed the rent limit identified in your agreement minus the tenant paid utility allowance if included.



Table of Sales Price Limits

HOME Investment Partnerships Program (HOME)

HOME Purchase Price Limit

(effective April 1, 2020)

	1-Unit	2-Unit	3-Unit	4-Unit
Existing Homes Purchase Price Limit	\$237,000	\$303,000	\$367,000	\$454,000
New Homes Purchase Price Limit	\$238,000	\$304,000	\$368,000	\$456,000

The initial purchase price or after-rehabilitation value of homeownership units assisted with HOME funds cannot exceed 95 percent of the area median purchase price for single family housing, as determined by HUD. These amounts are different for newly constructed homes and existing homes

Newly Constructed Housing. The new HOME homeownership value limits for newly constructed HOME units is 95 percent of the median purchase price for the area based on Federal Housing Administration (FHA) single family mortgage program data for newly constructed housing. Nationwide, HUD established a minimum limit, or floor, based on 95 percent of the U.S. median purchase price for new construction for nonmetropolitan areas. This figure is determined by the U.S. Census Bureau. HUD has used the greater of these two figures as their HOME homeownership value limits for newly constructed housing in each area.

Existing Housing. The new HOME homeownership value limits for existing HOME units is 95 percent of the median purchase price for the area based on Federal FHA single family mortgage program data for existing housing and other appropriate data that are available nationwide for sale of existing housing in standard condition. Nationwide, HUD has established a minimum limit, or floor, based on 95 percent of the state-wide nonmetropolitan area median purchase price using this data. HUD has used the greater of these two figures as their HOME homeownership value limits for existing housing in each area.

In lieu of the limits provided by HUD, a PJ may determine 95 percent of the median area purchase price for single family housing in the jurisdiction annually in accordance with federally established procedures and may submit these limits as part of its Consolidated Plan/Annual Action Plan. Iowa City does not determine its own Sales Price Limits.