



July 6, 2018

Curtis Stauffer
Managing Director, Housing Contract Administration
Kentucky Housing Corporation
1231 Louisville Road
Frankfort, KY 40601

SUBJECT: HOME Maximum Per-Unit Subsidies

Dear Mr. Stauffer:

On December 8, 2015, HUD published a notice on the HUD Exchange announcing the new 2015 limits for HOME Maximum Per-Unit Subsidies. This notice advised that due to the discontinuation of the Section 221(d)(3) mortgage insurance program, alternate maximum per-unit subsidy limits must be used for the HOME Investment Partnerships Program (HOME).

HUD is required to undertake rulemaking to establish new maximum per-unit subsidy limits for the HOME Program because it is no longer updating and publishing limits for the Section 221(d)(3) mortgage insurance program. Until a new rule can be published, HUD published CPD Notice 15-003: Interim Policy on Maximum Per-unit Subsidy Limits for the HOME Program establishing an interim policy that Field Office staff and Participating Jurisdictions (PJs) must follow.

The notice directs PJs to use the Section 234-Condominium Housing basic mortgage limits, for elevator-type projects, as an alternative to the Section 221(d)(3) limits in order to determine the maximum amount of HOME funds a PJ may invest on a per-unit basis in HOME-assisted housing projects. This interim policy remains in effect until the effective date of the new final rule provisions, amending the existing provision of 24 CFR 92.250(a).

The Louisville Field Office has determined that the applicable Section 234 Condominium Housing limits for elevator projects are (**Effective June 4, 2018**):

0 bedroom	\$ 61,281
1 bedroom	\$ 70,250
2 bedroom	\$ 85,424
3 bedroom	\$110,512
4+ bedroom	\$121,307

HUD's mission is to create strong, sustainable, inclusive communities and quality, affordable homes for all.

These limits are adjusted by the applicable Multi-Family high cost percentage of 256% subject to a cap of 240% imposed by the HOME guidance. Therefore, the HOME Maximum Per-Unit Subsidies are as follows:

0 bedroom	\$147,074
1 bedroom	\$168,600
2 bedroom	\$205,018
3 bedroom	\$265,229
4+ bedroom	\$291,137

PJs must ensure that these limits are appropriately applied to their HOME program and are not authorized to adjust or modify these limits without specific written approval from HUD. If you have questions regarding these limits or otherwise have questions regarding the HOME program, please contact Songmi Pang, Financial Analyst; at 502-618-8105 or via email at Songmi.Pang@hud.gov.

Sincerely,

Renee D Ryles, Acting Director
Office of Community Planning
and Development

cc:
Michele Huybers
Anthony Wright

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