

EXHIBIT 7-L RENT SCHEDULE FORM INSTRUCTIONS

Utilities Allowances:

If tenants pay for utilities, attach the Section 8 Utility Schedule identifying which utilities the tenant pays for.

The HUD-published HOME rent limits include utilities. This means that when a tenant pays directly for utilities, the owner/manager must subtract the utility allowance from the applicable HUD-published HOME rent limit, in order to calculate the maximum rent that can be charged for that HOME-assisted unit.ⁱ

HOME Unit Mix

List the total number of HOME-assisted units in the project by bedroom size. **For projects with five or more HOME-assisted, at least 20 percent of each bedroom size must be designated as Low HOME Rent units**

Example: The Sunny Fields Apartments in Sunshine County, Montana, has 20 HOME and LIHTC units with 4 one-bedroom, 10 two-bedroom and 6 three bedroom units.

| | 0 BR | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | 6 BR |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total Number of HOME Units | | 4 | 10 | 6 | | | |
| Number of Low-HOME Units | | 1 | 2 | 2 | | | |

4 one-bed units X 20% = 0.8 units which is rounded to 1 unit

10 two-bed units X 20% = 2 units

6 three-bed units X 20% = 1.2 units which is rounded to 2 units

Low HOME Rent units must be occupied by tenants whose incomes are at or below 50% of the HUD published area median income.

High HOME Rent units must be occupied by tenants whose incomes do not exceed 80% of the HUD-published area median income.

Maximum Allowable HOME Rents

HUD publishes two annual HOME rent limits: the High HOME rent limits and the Low HOME rent limits by bedroom sizes for each metropolitan service area or county. These are the **maximum** rents that owners can charge tenants that reside in HOME-assisted units.

Use the schedule provided at the link below to enter the High and Low HOME rent limits:

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/>

Example: The Sunny Fields Apartments have 20 HOME and LIHTC units with a mix of one, two and three bedroom units. The property manger uses the link provided to pull down the 2012 HOME rent limits for Sunshine County and completes the table for their relevant units:

Effective Date of published HOME Rent Schedule: **February 9, 2012**

| HOME Rent Limits | | | | | | | |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| HOME | 0 Bed | 1 Bed | 2 Bed | 3 Bed | 4 Bed | 5 Bed | 6 Bed |
| Low-HOME Rent | | 525 | 650 | 700 | | | |
| High-HOME Rent | | 525 | 675 | 800 | | | |

Be sure to provide the effective date of the HUD published HOME rent schedule used.

USDA Rural Development Assistance or Project Based Section 8 Assistance

*****Only complete this section if you have RD or PBS8 units in your project*****

Indicate which program your project receives assistance through and attach a copy of the most current letter or rent schedule you received from RD or HUD with the approved rents for the property, including the effective date.

Low Income Housing Tax Credit Rents

*****Complete this section if you have LIHTC units in your project*****

Use the website provided at the link below to enter the LIHTC rent limits for your units.

<http://housing.mt.gov/About/MF/incomeandrentlimits.mcp>x

If the income level targeted by your project is not listed, use the blank lines at the bottom of the table to provide the targeted percentages and the appropriate rent limits.

Example: *The Sunny Fields Apartments have 20 HOME and LIHTC units with a mix of one, two and three bedroom units. The LIHTC unit rents are targeted for tenants who are at 40%, 50% and 60% AMI. Using the information from the provided link, the property manager completes the table below for the relevant unit sizes, targeted incomes and location.*

Effective Date of LIHTC Rent Schedule: **12/18/2013**

| LIHTC Rent Limits | | | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| LIHTC | 0 Bed | 1 Bed | 2 Bed | 3 Bed | 4 Bed | 5 Bed | 6 Bed |
| 30% | | | | | | | |
| 40% | | 455 | 546 | 630 | | | |
| 50% | | 568 | 682 | 788 | | | |
| 60% | | 682 | 819 | 945 | | | |

Be sure to provide the effective date of the LIHTC rent schedule used.

Rent Schedule

Complete rent schedule for the next twelve months. **For units that have both tax credit and HOME-assisted units, compare the rents between the two programs and use *the lesser* of the HUD-published HOME rent limit or the LIHTC rent limit for that unit.ⁱⁱ Rents may be below the maximum published rent limits.**

Example: The Property Manager of the Sunny Fields Apartments enters the rent schedule for the project by comparing both LIHTC and HOME rent limits and uses the lesser rent limits.

| Proposed Rent Schedule for Sunny Fields Apartments | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 0 Bed | 1 Bed | 2 Bed | 3 Bed | 4 Bed | 5 Bed | 6 Bed |
| 40% | | 455 | 546 | 630 | | | |
| 50% | | 525 | 650 | 700 | | | |
| 60% | | 525 | 675 | 800 | | | |

Signatures

The rent schedule should be signed by Grantee’s Executive Director (if the original HOME Grantee was a CHDO and PHAs) or Chief Elected Official (if the original HOME Grantee was a Local Government) and the Property Manager/Owner, if applicable.

ⁱ Compliance in HOME Rental Projects: A Guide for Property Owners, pg 89
<http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/2009/2009homerentalpo.pdf>

ⁱⁱ Compliance in HOME Rental Projects: A Guide for Property Owners, pg 59