



Exploring Changes to HUD & Census Data

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Path to LIHTC Max Rent...



HUD Adjustments

the four-person income limit if it is less than 95 percent of last year's... to the greater of 95 percent of last year's very low-income limit... twice the rate of change in the national median family income estimate if... be larger than five percent. For FY 2021, income limits, twice the increase in the... median income compared to the FY 2020 median income is 103.6 percent, so the cap on... increases is set at 105 percent.

HUD uses FMIs to calculate high and low housing cost areas.

Table 1 summarizes the rules governing very low-income limit determinations:

Table 1
Summary of Income Limits Determinations for
FY 2021 Very Low Income Limits

Type Income Limit Calculation	Non-metro Counties	Metropolitan Areas
1. Limits based on 50% of local median family income	568	302
2. Limits based on State nonmetropolitan median family income level	1119	108
3. Limits increased to the amount at which 8% of 4-person family's income equals 85% of the 2-bedroom FMR.	14	26
4. Limits decreased to the greater of 80% of the U.S. median family income or the amount at which 8% of a 4-person family's income equals 100% of the 2-bedroom FMR.	1	0
5. Limits capped if they would be less than 85% of last year's limit	58	40
6. Limits capped if they would otherwise increase by more than twice the increase in the National Median Income (i.e. would be more than 105% of last year's limit)	211	151
7. TOTALS	1971	637

never be set lower than the State nonmetropolitan median family income level. In implementing this provision, HUD used its discretion to apply this policy to metropolitan areas as well. Doing so avoids the scenario of setting higher income limits in a nonmetropolitan county than are assigned to a metropolitan area where the median family income is less than the State nonmetropolitan level but above the level set for the nonmetropolitan county.

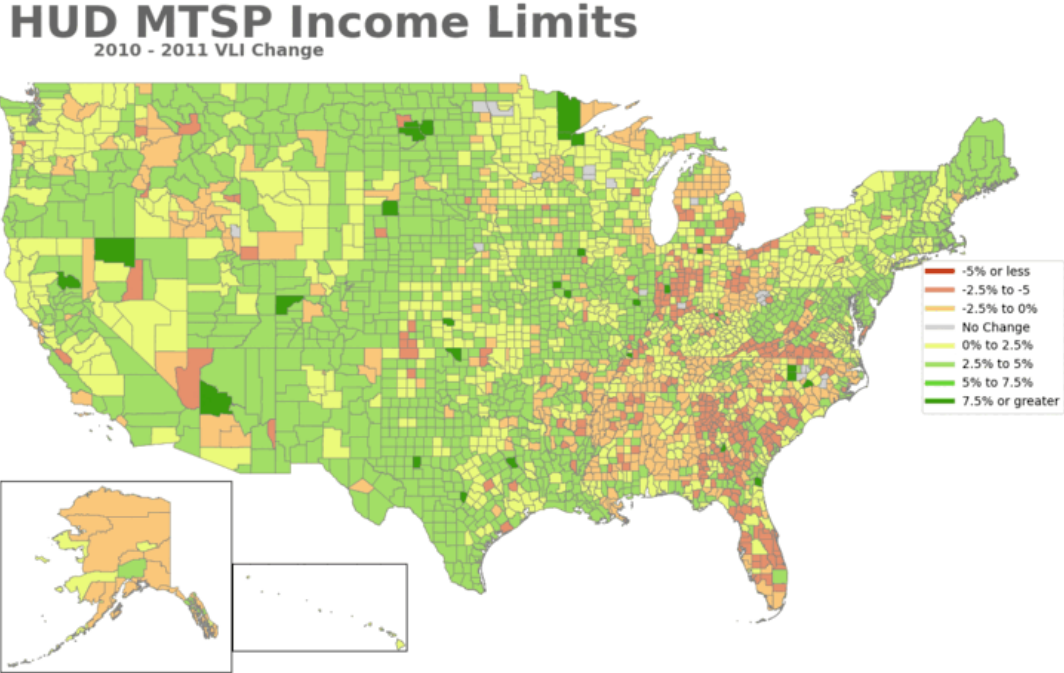


MTSP Limits/
VLI Data

STATE/TERRITORY	INCUBATOR	1 INCOME	2 INCOME	3 INCOME	4 INCOME	5 INCOME	6 INCOME	7 INCOME	8 INCOME
Port North-Hallington, TX HRA									
FY 2021 MFI: 80003	VERY LOW INCOME	20300	32300	36400	40400	43700	46500	50100	53200
	60% INCOME LIMIT	33900	38920	43600	48400	52200	56200	60120	64200
	HRA Special 50%	28500	32400	36700	40700	44000	47300	50500	53800
	HRA Special 60%	34200	39220	44000	48900	53000	57000	60500	64000
Hood County, TX HRA									
FY 2021 MFI: 76200	VERY LOW INCOME	26700	30500	34300	38100	41300	44200	47200	50300
	60% INCOME LIMIT	32000	36800	41200	45700	49500	53200	56700	60500
	HRA Special 50%	29000	32500	36000	40000	43200	46400	49200	52300
	HRA Special 60%	33000	38400	43200	48000	51800	55800	59200	63000
Woodlands-Reno, TX HRA									
FY 2021 MFI: 79200	VERY LOW INCOME	27700	31700	35500	39200	42000	44800	47800	50800
	60% INCOME LIMIT	33000	38400	43200	47800	51800	55800	59200	62800
	HRA Special 50%	28500	32400	36700	40700	44000	47300	50500	53800
	HRA Special 60%	34200	39220	44000	48900	53000	57000	60500	64000
Waco, TX HRA									
FY 2021 MFI: 31500	VERY LOW INCOME	21300	24400	27400	30400	32900	35300	37800	40200
	60% INCOME LIMIT	29200	32900	36400	39400	42400	45000	47600	50200
	HRA Special 50%	20200	23400	26400	29400	31900	34300	36800	39200
	HRA Special 60%	25100	28300	31300	34300	36800	39200	41700	44200
Waco, TX HRA									
FY 2021 MFI: 103000	VERY LOW INCOME	32300	40700	47300	53900	60500	67100	73700	80300
	60% INCOME LIMIT	43620	49900	56120	62200	67820	72900	77920	82900
	HRA Special 50%	33500	39800	46000	52200	57800	63400	69000	74600
	HRA Special 60%	38400	44700	50900	57100	62700	68300	73900	79500
Waco, TX HRA									
FY 2021 MFI: 44700	VERY LOW INCOME	29400	33500	37600	41700	45800	49900	54000	58100
	60% INCOME LIMIT	37100	42900	48700	54500	59300	64100	68900	73700
	HRA Special 50%	28400	32500	36600	40700	44800	48900	53000	57100
	HRA Special 60%	33300	38100	42900	47700	52500	57300	62100	66900
Waco, TX HRA									
FY 2021 MFI: 74500	VERY LOW INCOME	26400	30500	34600	38700	42800	46900	51000	55100
	60% INCOME LIMIT	30700	35800	40900	46000	51100	56200	61300	66400
	HRA Special 50%	24100	28200	32300	36400	40500	44600	48700	52800
	HRA Special 60%	29000	34100	39200	44300	49400	54500	59600	64700
Waco, TX HRA									
FY 2021 MFI: 54100	VERY LOW INCOME	21300	24400	27400	30400	32900	35300	37800	40200
	60% INCOME LIMIT	29200	32900	36400	39400	42400	45000	47600	50200
	HRA Special 50%	20200	23400	26400	29400	31900	34300	36800	39200
	HRA Special 60%	25100	28300	31300	34300	36800	39200	41700	44200

* Income limit for any project in a HUD impacted area whose current limit would be less than last year or less than the FY2019 limit. Limits are Current, Four Median (FY2021), over the FY2019 median. HUD impacted areas are areas with Section 8 Income Limits held harmless by HUD in FY2017 or FY2018.

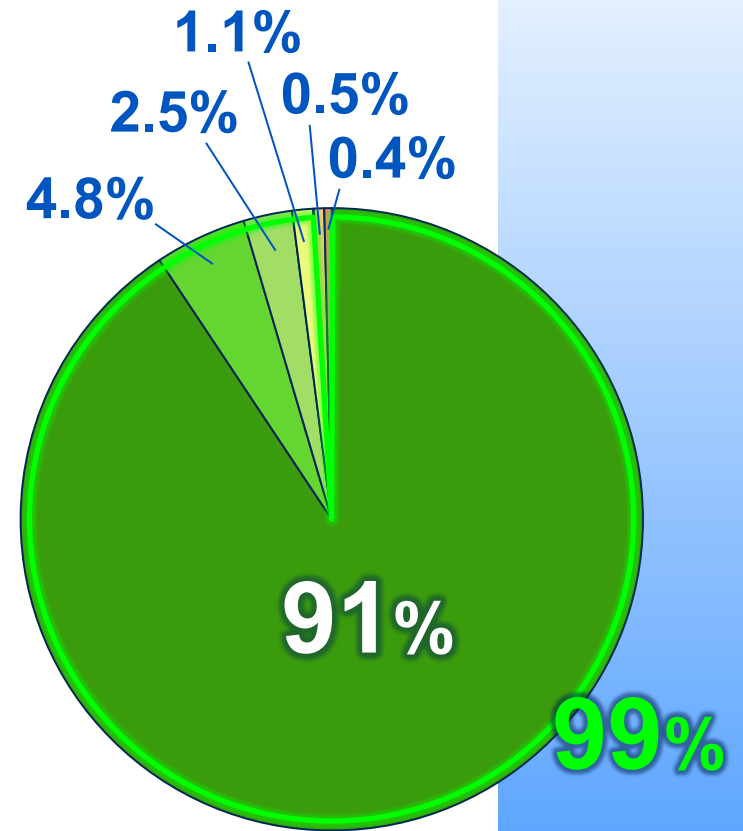
Historic Changes In VLI



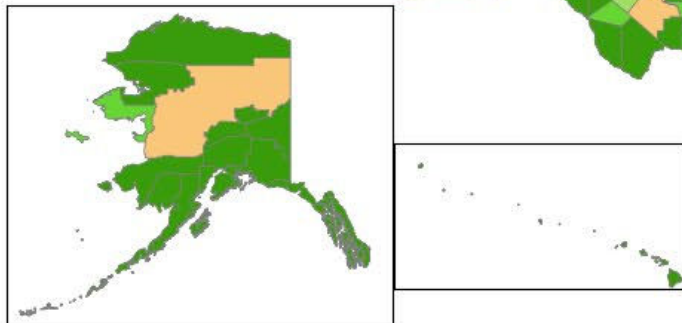
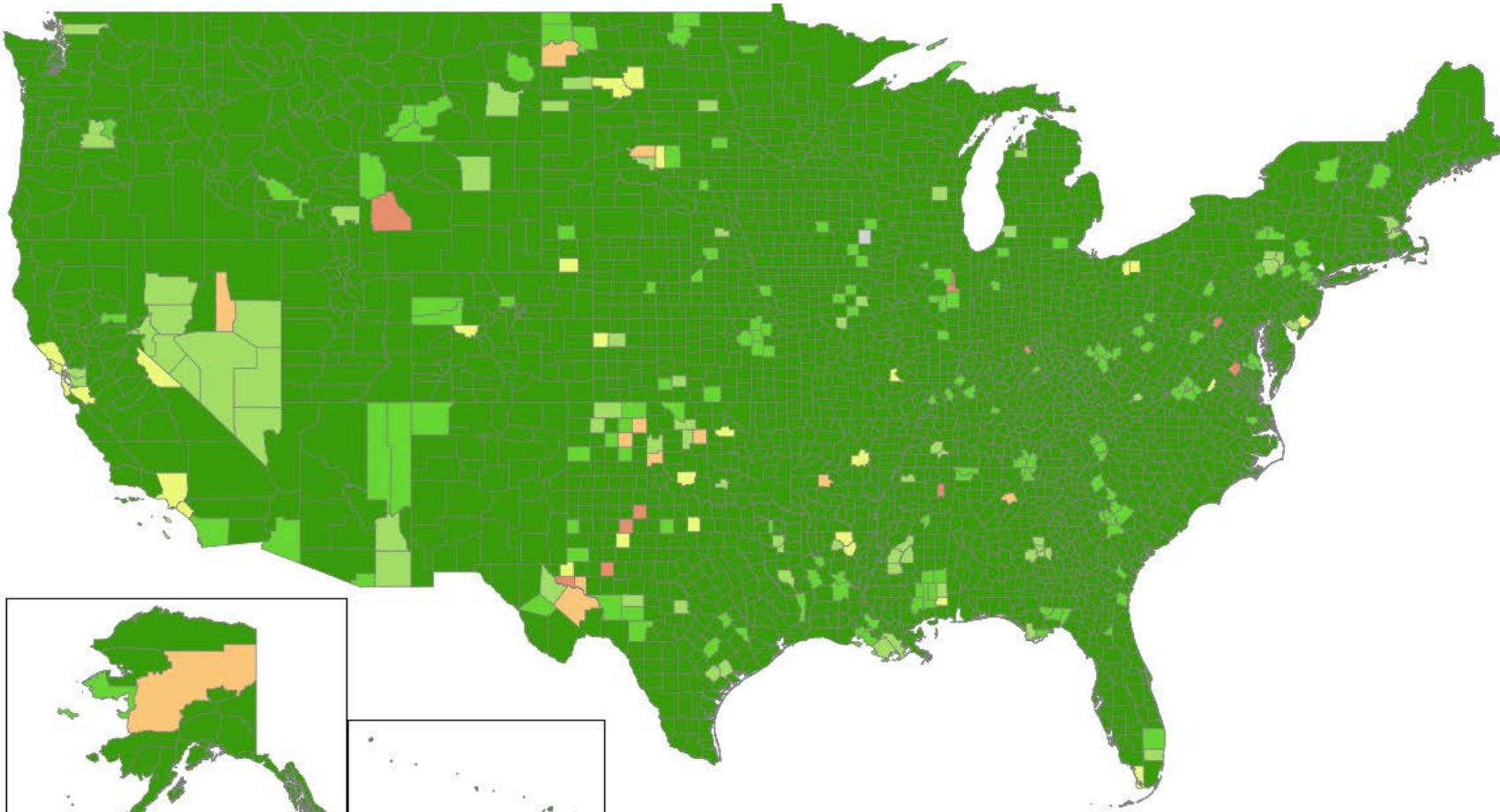
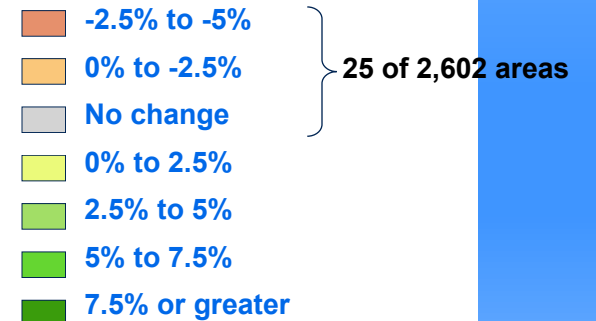
HUD MTSP Income Limits

2021 to 2022 VLI Change

For NEW Projects



2021-2022 Percent Change in VLI



Can We Get Max Rents???

Answer # 1 = Of course!!!

LIHTC RENT COMPARISON @60%

Property Name	County	1BR	2BR	3BR	Max Rent?
[REDACTED]	Ada	\$899	\$1,068	\$1,220	Yes
LIHTC Maximum Rent (Net)	Ada	\$899	\$1,068	\$1,220	-
[REDACTED]	Ada	\$840	\$1,007	\$1,147	Yes
[REDACTED]	Ada	-	\$1,039	\$1,187	Yes
[REDACTED]	Ada	\$878	\$1,039	-	Yes
[REDACTED]	Ada	\$899	-	-	Yes
[REDACTED]	Ada	\$848	\$913	\$1,033	Yes
[REDACTED]	Ada	\$882	\$1,061	-	Yes
Average	-	\$869	\$1,012	\$1,122	-
Achievable LIHTC Rent		\$899	\$1,068	\$1,220	Yes

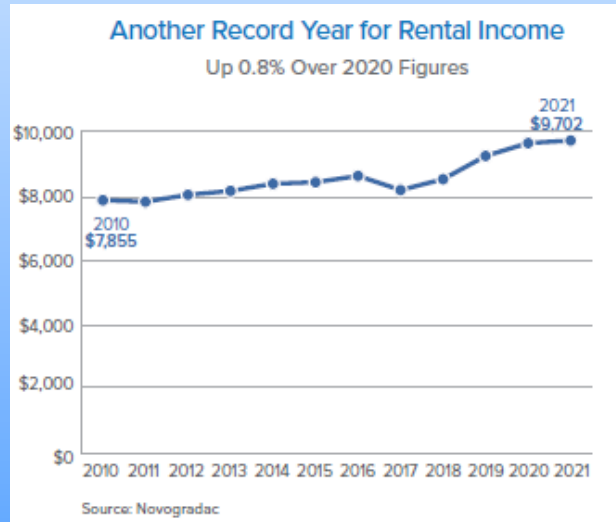
Answer # 2 = Maybe...

LIHTC RENT COMPARISON @60%

	County	Tenancy	1BR	2BR	3BR	Rents at Max?
[REDACTED]	Allegheny	Family	\$1,010	\$1,213	\$1,381	No
LIHTC Maximum Rent (Net)	Allegheny County		\$1,011	\$1,215	\$1,382	-
[REDACTED]	Allegheny	Family	\$747	\$830	\$987	No
[REDACTED]	Allegheny	Family	\$672	\$756	\$917	No
[REDACTED]	Allegheny	Family	-	\$908	\$1,152	No
[REDACTED]	Allegheny	Family	\$712	-	-	No
Average			\$710	\$831	\$1,019	

The answer is always = It depends

Income & Expenses



NOVOGRADAC
Special Reports

2022 MULTIFAMILY RENTAL HOUSING OPERATING EXPENSES AND INCOME REPORT

SURVEY AND ANALYSIS OF LIHTC PROPERTIES

