

TO: Owners and Managers of HOME and NSP funded properties in Georgia

FROM: The Office of Portfolio Management  
Compliance Monitoring and Asset Management  
60 Executive Park South, NE  
Atlanta, GA 30329

RE: HOME Student Form

---

Beginning March 10, 2016 HOME and NSP projects funded by DCA must meet the 2013 HOME Rule HUD Student Rules. The student rules adopted by HUD are the rules in place for the Section 8 program.

This policy clarifies how the PJ (DCA) expects program participants (owners and managers) to treat students and student status in accordance with the HUD Final rule, 2013: “§92.2 Excludes students who do not qualify as a low-income family on their own, or are not part of a low-income family, from participating independently in the HOME program. If tenant currently living in HOME unit is a student who is not part of a low-income family, or does not qualify individually as a low-income family, PJs must correct this non-compliance by treating the tenant as an over-income tenant.”<sup>1</sup>

#### FAQ

**Q1: Does this mean two student forms are required at a site layered with HOME and LIHTC funds?**

Yes.

A1:

**Q2: Is the HOME or LIHTC student rule more restrictive?**

The student rules for the two programs are very different. Layered communities must meet

A2:

the regulations for each type of funding received. Although many layered communities set policies based on the most restrictive rule, this is not possible with the student rules due to their differences. The student rule for each applicable source of funding will need to be monitored and enforced.

<sup>1</sup> <https://www.hudexchange.info/onecpd/assets/File/HOME-Final-Rule-Requirements-ApplicabilityCharts.pdf#page=9>

**Q3: If current residents are affected by the new HOME student rule, do we handle it by making sure the next move-in meets the student rules?**

A3: There are two scenarios possible:

- 1) **At projects where all units are HOME**, all households that move-in must meet the rule at move-in going forward. So each new move in follows the HOME student rule. *Until the household that violates the student rules moves out, or meets the HOME student rules, there is temporary non-compliance.*
- 2) **At a project with floating units where all units are not funded with HOME**, the next non-HOME household that moves into a unit of similar size must be rented to a household that meets all the HOME regulations including the student rule. This new move-in replaces the HOME unit in violation of the HOME student rule. The original household that does not meet the HOME student rule now has been replaced and is no longer in a HOME unit or a HOME household. The household loses the protections of the HOME program, including HOME rent, at the end of their lease.

**Q4: HOME rules require us to adjust an over income household's rent when income exceeds 80% AMI. Do we need to adjust the rent of the households who do not meet the new student rules?**

A4: No. Only adjust rent when the household's adjusted income exceeds 80% AMI for their household size.

