TO: Federal Grants Subrecipients

FROM: Tamara Stewart, MHC, VP Federal Grants

SUBJECT: HOME-ARP Rental Standards Increase for Identified Counties

EFFECTIVE DATE: July 29, 2025

Mississippi Home Corporation (MHC) is the State of Mississippi's recipient of the HOME American Rescue Plan (HOME-ARP) funds and is responsible for the distribution and management of these funds, ensuring that funds are used appropriately and reports are submitted in a timely manner. MHC has established the rental standards for the HOME-ARP TBRA and Supportive Service programs. This bulletin will identify the new rental standards for counties identified in this bulletin.

## **Justification and Benefits:**

Mississippi Home Corporation (MHC) previously established rent standards were limited to HUD's established Fair Market Rents (FMR) (40th Percentile Rents) for each county. However, the FMR limits are set at a lower rate than the available rental units' rates according to a market study conducted for Harrison and Hancock Counties. Therefore, the established rental limits made it impossible to assist the qualified population in obtaining and maintaining housing.

An increase to the Rental Standards for Harrison County and Hancock County would allow funded agencies to increase HOME-ARP services and serve more people.

## **Rent Reasonableness**

Agencies providing HOME-ARP services in Harrison County and Hancock County are required to follow the requirements for determining rent reasonableness.

## **Rental Standards**

Hancock County, MS					
<b>HOME-ARP Rent Standar</b>					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2024 FMR +35% Increase	\$ 1,114.00	\$ 1,246.00	\$ 1,554.00	\$ 2,059.00	\$ 2,195.00
Harrison County MS					
HOME-ARP Rent Standards By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2024 FMR +35% Increas	\$1,114	\$1,246.00	\$1,554	\$2,059	\$2,195

Please adjust your internal processes accordingly to ensure compliance. Failure to meet these revised requirements may result in delayed or denied reimbursement.

From: HOMEARP < HOMEARP@hud.gov > Sent: Wednesday, July 16, 2025 7:44 AM

To: Tamara Stewart < <u>Tamara.Stewart@mshc.com</u>>
Cc: Fredrick Davis < <u>fredrick.davis@mshc.com</u>>
Subject: RE: < External Message> HOME-ARP FMR

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Good morning,

An FMR waiver is not required as rent standards and maximum subsidies can be established by the PJ based on local market conditions.

PJ's must establish policies for all allowable maximum subsidy of their HOME-ARP TBRA program. This may differ from the maximum subsidy requirements at 24 CFR 92.209(h). PJs may provide up to 100 percent subsidy for rent, security deposit payments, and utility bills. The PJ must establish policies for determining any household contribution to rent based on a determination of the qualifying household's income.

Consistent with 24 CFR 92.209 (h)(3), PJs must also establish a rent standard for HOME-ARP TBRA by unit size that is based on upon local market conditions or the section 8 HCV program. PJs must then determine whether the rent for the HOME-ARP TBRA household complies with the rent standard established and disapprove a lease if it does not meet the PJs rent standard for the HOME-ARP TBRA program.

Document the process in your policies and procedures and implement in a consistent manner.

HOME-ARP Tenant-Based Rental Assistance Fact Sheet

Please reach out if you have additional questions.