

☆ **RENT CALCULATIONS** ☆
Housing Choice Voucher

(What you pay)

The Total Tenant Payment (TTP) formula is <i>highest</i> of:
30% of monthly adjusted income * or *
10% of total monthly income * or *
Minimum Rent (\$50)

(What the program pays)

The total subsidy (HAP) is the <i>lower</i> of:
The Payment Standard (aka FMR) minus TTP * or *
The Gross Rent (Contract rent plus utility allowance) minus TTP

☆ The Payment Standards as of January 1, 2021 are 110% of the Fair Market Rents published by HUD ☆

UNIT SIZE	PAYMENT STANDARD	FAIR MARKET RENT
Studio	\$1,421	\$1,292
1 Bedroom	\$1,783	\$1,621
2 Bedroom	\$2,153	\$1,958
3 Bedroom	\$2,682	\$2,439
4 Bedroom	\$2,992	\$2,720

The Housing Choice Voucher pays the difference between 30% of the tenants' income and the lower of either:

- **the Gross Rent** (Contract rent plus utility allowance) **or**
- **the Payment Standard** as set in accordance with HUD regulations

☆ **IMPORTANT** ☆

If the proposed Contract Rent is higher than the Payment Standard listed above you can:

- **Pay the difference between the contracted rent and the payment standard in addition to 30% of your income, plus utilities** (only for renewals, not initial terms of lease)
- **Negotiate a lower rent with the landlord** (contact your landlord)
- **Locate another apartment at a lower rent and move**
(30 days WRITTEN notice to the current landlord required)



The Total Tenant Obligation (TTO), which is the tenant portion of the rent *plus* the utility obligation, **cannot** be more than **40%** of the total adjusted family income *at initial lease up* (if you move to another apartment) for the unit if the gross rent is higher than the payment standard for the unit size.

Note to landlords:

Please note that these payment standards are not to be used to incorrectly inflate the area market rents. The payment standard as published by HUD is representative of gross rent plus utilities for the 40th percentile of the area. (**the rent amount if it included all utilities**)

If utilities are not included, the rent should reflect this. If the rent you would charge is normally lower than these amounts, then rents should **not** be raised to the payment standard. It is not legal to charge section 8 participants more rent than you normally charge other tenants for the same sized units. These payment standards are developed to determine tenant income eligibility, and to determine if the apartment is eligible, not as a guideline to determine how high you can raise the rent.

The apartment still must meet rent reasonableness guidelines (be comparable to other units in the area with the same amenities) and must pass an HQS inspection annually to meet minimum Housing Quality Standards.