

North Carolina Housing Finance Agency: Policy Update 1.0

HOME Final Rule – Effective 1/1/2026

****Note:** Applies to ALL HOME funded properties, no matter the allocation year

Income Determinations

Allows income determinations by other rental subsidy programs

24 CFR 92.203 (a)(1)

- If a family is applying for or living in a HOME-assisted rental unit, and the unit is assisted by a Federal or State project-based rental subsidy program, then a participating jurisdiction may accept the public housing agency, owner, or rental subsidy provider's determination of the family's annual income and adjusted income under that program's rules.

Allows income documentation from other governmental public assistance (including LIHTC) at move in and recertification

24 CFR 92.203 (a)(3)

- When using the safe harbor means-tested income determination:
 - The NCHFA form must be utilized; OR
 - The documentation provided by the administering agency must include all documentation being requested on the NCHFA form

Property Standards

Inspections – New Construction/Rehabs

92.251 (a)(3)(vi)(A)

- a carbon monoxide alarm must be installed in the housing unit in a manner that meets or exceeds the carbon monoxide detection standards set by HUD

92.251 (a)(3)(vi)(B)(2)

- Each hardwired smoke alarm must have an alarm system designated for hearing-impaired persons

NSPIRE

24 CFR 92.251(a)

- standards are accepted by HOME (as well as the Federal Alignment Program)

Rent/Income Limits & Utility Allowances

HOME Rent Limits

24 CFR 92.252(a)

- Rent limits do not apply to federal, state, or local assistance where a family is part of a program where a family is paying 30% of months adjusted income
- Tenant portion of rent plus utility allowance must still remain under the rent limits. Rental assistance is not used to determine compliance with the rent limits. However, in order to exclude KEY assistance, the tenant portion of rent and utility allowance must be calculated at 30% of household income.
- Low HOME rents: rents can exceed the low HOME rents if the unit is a LIHTC unit and has rents not greater than the gross rent for rent-restricted resident units as determined under the 42 (a)(2)(iii)

Utility Allowances

24 CFR 92.252(b)

- Clarifies that cable and broadband are NOT included
- Allows the PHA UA to be used

Rent Increases (notice to tenants)

24 CFR 92.252(e)

- increase in rent requires 60-days' notice instead of 30 (will need to adjust the rent increase policy)

Surety bonds are NOT allowed in place of security deposits

24 CFR 92.214

Environmental, health, safety hazard notification

24 CFR 92.253(f)

- added notification to the PJ as a requirement

HOTMA

Effective 7/1/2025 for all certifications. Please refer to the HOTMA 7.0 Guidance published on the NCHFA website.