

HOME Income Verification and Rent Review

Initial and ongoing income verification and rent reviews will be conducted by HOME Program staff at the time of application for funding and annually throughout the affordability periods of all HOME projects. HOME designation is not fixed but may float with the approval of HOME staff.

Income Verifications

Household incomes of tenants in HOME units must be verified at the following times:

- Prior to the submission of an application for HOME funds to confirm that the residents of proposed HOME units/lots are income eligible. **Applications for HOME funds must include a HOME Income Verification Form supported by third-party verifications for each occupied HOME unit/lot proposed for HOME designation;**
- Each time a new household moves into/onto a HOME unit/lot;
- Any time that the grantee receives permission from HOME staff to float HOME unit/lot designation; and
- Annually throughout the HOME affordability period. This requirement does not apply to mobile home parks. Additional income verification must be performed prior to resale of an owner-occupied mobile home.

HOME Program Income Verification Forms should be used for initial and ongoing income verifications. Written verification of all sources of income must be obtained by third parties to support the Income Verification Form when eligibility is initially determined (at the time of application, when a household moves into a HOME unit or if the grantee switches HOME units). For projects with affordability periods of ten or more years, full third party documentation is necessary for all HOME units every sixth year. Third-party verification is not required when a household has already been determined to be eligible and its income is simply being recertified (annual recertifications).

Rent Reviews

To ensure that rents are in compliance with program requirements, HOME Program staff review the rents for all HOME units on an annual basis throughout the affordability period. This review is conducted in conjunction with the annual recertification of incomes. Grantees must submit a HOME Unit Rent Schedule showing existing rents and any proposed increases. **Grantees may not implement any increases in rent without the prior approval of the HOME staff and all rent increases must be preceded by a 60 day notice to tenants.**

Reminders

HOME Program staff sends reminder memorandums to grantees three months before the annual submission of income and rent information is due.

Forms

A HOME Program Income Verification Form and a HOME Unit Rent Schedule are included in this section.

Definition of Income; Inclusions and Exclusions

The HOME Program requires VHCB to establish the definition of annual income for determining whether households are eligible for participation in the HOME Program.

VHCB HOME Program uses the Part 5 definition of income, found at 24 CFR Part 5. The Part 5 definition of annual income is the gross amount of income of all adult household members that is anticipated to be received during the coming 12 month period. For more information, see HUD's [*Technical Guide for Determining Income and Allowances for the HOME Program*](#), Chapter 3 – Calculating Annual (Gross) Income. This guide includes a comprehensive list of income that is included and excluded from calculations of annual income under Part 5.