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Sent: Tuesday, July 03, 2012 3:35 PM **To:** MFH-RHIIP-TIPS-L@hudlist.hud.gov

Subject: RHIIP Listserv #279 - REVISION Clarification Concerning Effective Date of Recent Section 8

Page Changes

RHIIP Listserv Posting

#279

July 3, 2012

Welcome to the MULTIFAMILY HOUSING RENTAL HOUSING INTEGRITY IMPROVEMENT PROJECT (RHIIP) LISTSERV that brings you up-to-date RHIIP related publications, news, information and occupancy tips in an effort to help reduce errors in rent determinations and subsidy calculations.

REVISION Clarification Concerning Effective Date of Recent Section 8 Page Changes

On May 18, 2012, the Department issued page changes to the Section 8 Renewal Policy Guide. Two of those changes have an impact on budget-based rent adjustment requests in Option Four. The first requires the use of current debt service in an Owner's budget-based rent increase request and the other permits a budget-based rent increase at the annual anniversary date only if the proposed rents do not exceed comparable market rents.

On June 12, 2012, the Department issued additional guidance related to the effective date of the page changes. Those effective dates have now been further clarified as noted below.

The effective date for both of the page changes described above is <u>150 days after</u> May 18, 2012 (which is October 15, 2012). Any budget-based rent increase request postmarked prior to October 15, 2012 can be processed under the previous guidance. Any budget-based rent increase postmarked October 15, 2012 or thereafter must abide by the new guidance. This new requirement applies to all Option Four contracts, even multiyear contracts signed prior to May 18, 2012.

The effective dates for the other changes remain the same.