

HOME Final Rule 2025 – PHFA Compliance Monitoring Policy Matrix

HOME FINAL RULE IMPLEMENTATION DATE: July 1, 2025

Please refer to the [PHFA HOTMA Matrix](#) for additional HOME guidance.

EFFECTIVE DATES:

On January 6, 2025, HUD published the HOME Investment Partnerships Program: Program Updates and Streamlining final rule (2025 HOME Final Rule), available at 90 FR 746. After certain delays and revisions by HUD, the regulatory changes implemented through the 2025 HOME Final Rule became effective on April 20, 2025.

PHFA is requiring Owners to comply with the regulatory changes to the HOME program requirements, as amended by the 2025 HOME Final Rule, as provided in the following table.

HOME FUNDS COMMITMENT DATE	APPLICABLE VERSION OF THE HOME REGULATIONS
Projects for which HOME funds were committed on or after April 20, 2025.	Effective July 1, 2025, Owners must comply with 24 CFR part 92 as it existed on April 20, 2025.
Projects for which HOME funds were committed prior to April 20, 2025.	Effective July 1, 2025, PHFA is implementing the revised HOME Program regulations for projects in which HOME funds were committed prior to April 20, 2025. PHFA is taking this action because it believes the revised HOME Program regulations are more advantageous for projects and PHFA compared to the previous version of the HOME Program regulations. In order to incorporate the revised HOME Program regulations (April 20, 2025 and forward), the owner must sign the PHFA HOME Acknowledgement Letter acknowledging that they have been notified of HUD’s revisions to the HOME Program regulations and that they agree to have the revised HOME Program regulations apply to their project, except as limited by 24 CFR 92.3(d), instead of the HOME Program regulations that were effective prior to April 20, 2025.

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EFFECTIVE DATES:		
ITEM	NOTES	CFR REFERENCE
Annual Review	<p>Prior to 01/01/2026, any violation of the 2025 HOME Final Rule identified during a File and Management Reviews may be issued as an observation.</p> <p>After 01/01/2026, findings and/or non-compliances may be issued for violations of the 2025 HOME Final Rule.</p>	-
Tenant Protections and Lease Provisions	<p>In the 2025 HOME Final Rule, HUD announced revisions to the HOME Program regulations regarding tenant protections and lease provisions in 24 CFR 92.253; however, HUD delayed the effective date of the revisions to 24 CFR 92.253 until Oct. 30, 2025.</p> <p>Until HUD makes effective any revisions to 24 CFR 92.253, Owners are required to comply with the currently effective version of 24 CFR 92.253, which is the same version as that which existed immediately prior to the publication of the 2025 HOME Final Rule. When HUD makes effective revisions to 24 CFR 92.253, Owners are required to comply with the newly effective version of 24 CFR 92.253. As appropriate, PHFA will publish additional guidance regarding 24 CFR 92.253 after HUD makes public its intentions regarding any revisions to 24 CFR 92.253.</p>	<u>24 CFR 92.253</u>

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INCOME:		
ITEM	NOTES	CFR REFERENCE
Income determination	HOME-assisted projects must conform to income determination standards in accordance with § 92.203.	<u>24 CFR 92.203</u>
HOME income verification requirements	Households in HOME-assisted units must continue to provide two (2) months source documentation upon move-in and during the sixth-year full recertification, unless a PHFA approved safe harbor is utilized. An Alternate Certification may be used in the interim years. Projects that have LIHTC with market rate units must complete full annual recertifications.	<u>24 CFR 92.203(b)(1)</u>
SAFE HARBOR VERIFICATIONS:		
ITEM	NOTES	CFR REFERENCE
PBRA (PHA/Administrator) income determination	When using a PHA or other administrators’ determination of income, the Owner/Agent must obtain a completed PHA Income Determination Certification , which states the household size and annual gross income, along with a copy of the 50058/50059.	<u>24 CFR 92.203(a)(1)</u>
TBRA (PHA/Administrator) income determination	When using a PHA or other administrators’ determination of income, the Owner/Agent must obtain a completed PHA Income Determination Certification , which states the household size and annual gross income, along with a copy of the 50058/50059.	<u>24 CFR 92.203(a)(2)</u>
Allowable “Means-Tested” Income	PHFA permits the use of Safe Harbor Determination of Income. The Owner/Agent must obtain a completed Safe Harbor Certification from a Federal or non-Federal entity administering the assistance.	<u>24 CFR 92.203(a)(3)</u> <u>24 CFR 92.203(b)(3)</u>

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Over Income Families	A tenant who no longer qualifies as low-income (over 80% AMI) must pay rent equal to the lesser of the amount payable by the tenant under State or local law or 30 percent of the family's adjusted income, <i>except</i> that a tenant of a HOME-assisted unit subject to rent restrictions under section 42 of the Internal Revenue Code of 1986 (<u>26 U.S.C. 42</u>) must pay a rent amount that complies with that section.	<u>24 CFR 92.252(h)(2)(i)</u>
RENTS:		
ITEM	NOTES	CFR REFERENCE
Maximum Rent Limitations	Maximum rent limits apply to the tenant rent, utility allowance, and non-optional fees (if applicable).	<u>24 CFR 92.252(a) - (c)</u>
Rents with assistance or subsidy program.	Under the 2025 HOME Final Rule, Owners/Agents may receive up to the payment standard for subsidized units.	<u>24 CFR 92.252(a)(1)</u> <u>24 CFR 92.252(a)(2)</u> <u>24 CFR 92.252(h)(2)(iii)</u>
Rent review and approval	PHFA must review and approve rents proposed by the owner. Please see the <i>PHFA Rent Increase Policy</i> and <i>Rent Summary Approval</i> process located in the <i>PHFA Property Compliance Manual for Portfolio Properties</i> .	<u>24 CFR 92.252(e)(2)</u>
Rent increase notice	Rent increase requests and approvals made via the Rent Summary Approval process must factor in the 60-day notification requirement. A copy of the 60-day rent increase notice must be in the resident file.	<u>24 CFR 92.252(e)</u>

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FEES:		
ITEM	NOTES	CFR REFERENCE
Prohibited Fees	<p>PHFA does not permit Owners/Agents to charge residents fees that are prohibited by the HOME Program regulations.</p> <p>Owners must not charge fees for:</p> <ul style="list-style-type: none"> (i) Surety bonds, security deposit insurance, or instruments similar to surety bonds or security deposit insurance, in lieu of or in addition to a security deposit in units. (ii) Fees that are not customarily charged in rental housing (e.g., laundry room access fees); and (ii) Fees to inspect units or correct deficiencies in the units or common areas of the project that were not caused by the tenant or are only due to normal wear and tear. 	<u>24 CFR 92.214(b)(3)</u>
Allowable fees	For a fee to be allowable, it must be reasonable and be approved by PHFA.	-
UTILITY ALLOWANCES:		
ITEM	NOTES	CFR REFERENCE
Utility allowance exclusions	Telephone, cable, and broadband may not be included in utility allowances.	<u>24 CFR 92.252(b)</u>
Utility allowance methods	<p>Owners may use any of the following to determine maximum monthly allowances:</p> <ul style="list-style-type: none"> • HUD Utility Schedule Model. • The utility allowance established by the applicable local public housing authority. • Another method approved by PHFA. 	<u>24 CFR 92.252(b)</u>

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OTHER:		
ITEM	NOTES	CFR REFERENCE
Deadlines for HOME units at rent-up	<p>If HOME units are not occupied by eligible tenants within six months following the date of project completion, the owner must provide an enhanced marketing plan to PHFA documenting additional marketing tools that will allow the project to reach required occupancy.</p> <p>HOME funds must be repaid for any HOME unit that has not been rented to eligible tenants within 18 months after the date of project completion.</p>	<u>24 CFR 92.252</u>
Additional Resources	<ul style="list-style-type: none"> • <u>Federal Register HOME Investment Partnership Program: Program Updates and Streamlining (2025 HOME Final Rule)</u> • <u>Code of Federal Regulations PART 92 HOME Investment Partnerships Program</u> • <u>Property Management PHFA Multifamily Rental Housing Developments</u> 	-