

**ANN ARBOR HOUSING COMMISSION
2023 PROJECT BASED VOUCHER REQUEST FOR PROPOSAL-13123
Section H: Rent Limit Amended
PUBLIC NOTICE**

AAHC puts forth an amendment to Proposal 13123: Section H., Rent Limits. The AAHC would like to clarify the process used to determine the initial rent and annual rent increase for project based assisted housing. The amended language is as follows: 1) 110% of the FMR for both initial and annual adjustment or **any exception payment standard approved by HUD**. *See below*

H. Rent Limits

The units that will be listed on the project-based contract will have rents limits. HUD regulations must be followed at the time that the rents are set for the initial rent and any subsequent rent increase that is requested by the Owner/Developer. The gross contract rent (including utility allowance) may not exceed the maximum set by HUD, which is the lowest of (1) 110% of Fair Market Rent (FMR) for both initial rent and annual adjustments **or any exception payment standard approved by HUD**; (2) the reasonable rent; (3) the rent requested by the owner. In addition, a rent reasonable study must be conducted in relation to rents charged in the private market for comparable unassisted units to ensure that the rents do not exceed rents in comparable units.

Fair Market Rent (FMR) Including Utilities Effective 10.2022					
	Studio	1 BR	2 BR	3 BR	4 BR
2023 FMR	\$1,148	\$1,153	\$1,384	\$1,684	\$1,926
110% of FMR	\$1,263	\$1,268	\$1,522	\$1,852	\$2,119

HUD APPROVED EXCEPTION PAYMENT STANDARD					
Ann Arbor, MI MSA Advisory Small Area FMRs By Unit Bedrooms					
ZIP Code	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
48103	\$1,380	\$1,390	\$1,670	\$2,030	\$2,320
48104	\$1,380	\$1,390	\$1,670	\$2,030	\$2,320
48105	\$1,360	\$1,370	\$1,640	\$2,000	\$2,280
48106	\$1,140	\$1,150	\$1,380	\$1,680	\$1,920
48107	\$1,140	\$1,150	\$1,380	\$1,680	\$1,920
48108	\$1,070	\$1,070	\$1,290	\$1,570	\$1,790
48109	\$1,370	\$1,380	\$1,660	\$2,020	\$2,300

The owner must request rent increases from the AAHC at least 90 days prior to the effective date of the rent increase. The AAHC will conduct a rent reasonable assessment prior to approving a rent increase.