

Income-Averaging Webinar

Questions and Answers

Q1: Does the Next Available Unit Rule still come into play the traditional way with this sort of averaging?

A1: Yes

Q2: Your method of handling rent increases for the various affordability bands moving forward, of a percentage adjustment based on the percentage difference in the initial rents in the bands, doesn't take into consideration increases in household income over time, i.e. increases in Social Security, VA, or just inflation of pension pay-outs that will result in increases in the number of households (or decreases, in the case of a recession or lay-offs) that will lead to differences in demand. How do you plan to re-evaluate market demand in the future to address the changes?

A2: The rent bands, and the percent difference of the rent amounts at each AMGI, are initially set by the developer. During the operation of the development, if the ownership entity feels the initial rent bands set are no longer appropriately serving your tenant population, the ownership may request a modification of the rent bands. That request will be reviewed by MHDC staff.