



Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Chrystal Kornegay, Undersecretary

To: Sponsors and Property Managers of DHCD-Assisted Projects  
From: Division of Housing Development (DHCD)  
Re: Rent Policies for DHCD-Assisted Rental Projects  
Date: December 1, 2015

---

Many multifamily rental projects in the DHCD portfolio have been financed with multiple Department sources, including two federal sources -- Low-Income Housing Tax Credits (LIHTC) and HOME funds -- as well as multiple state bond sources. DHCD bond programs include the following:

- Affordable Housing Trust Fund (AHTF)
- Commercial Area Transit Node Housing Program (CATNHP)
- Capital Improvement Preservation Fund (CIPF)
- Community Based Housing (CBH)
- Facilities Consolidation Fund (FCF)
- Housing Innovations Fund (HIF)
- Housing Stabilization Fund (HSF)

The presence of multiple sources can lead to complexity as sponsors establish the appropriate rent schedules for each project. The information below is intended to help guide sponsors as they establish initial rent schedules, as well as rents upon unit turnover.

- \* The sponsors of LIHTC-financed projects are permitted to charge LIHTC rents for all units financed with DHCD bond programs listed above. These policies apply both to initial rent-up and to units on turnover. If a unit with rent set at LIHTC turns over, the rent can stay the same as long as it remains within LIHTC limits.
- \* In any project with HOME assistance, the HOME-identified units must comply with all HOME rent requirements.
- \* The sponsors of DHCD bond-financed projects with neither LIHTC financing nor HOME financing are permitted to charge LIHTC rents. This policy applies to units at initial rent-up and on turnover.
- \* The sponsors of bond-financed projects must follow the HOME program on income certification in compliance with the Affordable Housing Restrictions for the project.

Please feel free to contact Mary Morales at 617-573-1308 or Bertha Borin at 617-573-1309 with any questions. Thank you.