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**To:** All HOME Staff

**From**: Lolita S. Collins, Grants Services Manager-Policy, Administrative and Technical Services

**Date**: June 29, 2020

**Subject**: HUD HOME

**Cc**: Jon Keen, Chief Operating Officer, Deputy/Interim Commissioner, DGCD

 Monique Franklin, Director, Administrative and Technical Services

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The U.S. Department of Housing and Urban Development (HUD) issued new HOME Investment Partnerships Program (HOME) and Housing Trust Fund (HTF) Homeownership Value Limits ("95% limits") for 2020 and is noted below.

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| --- | --- |
| **Existing Homes HOME/HTF Purchase Price Limit:** | **New Homes HOME/HTF Purchase Price Limit** |
| **Dekalb County** | **$215, 000** | **$238,000** |
| **Fulton County** | **$223, 000** | **$238,000** |

**Effective Date: April 1, 2020**

The effective date of the 2020 Homeownership Value Limits is April 1, 2020. These limits remain in effect until HUD issues new limits.

**Background Description**

Section 215(b) of the National Affordable Housing Act (NAHA) requires that the initial purchase price or after-rehabilitation value of homeownership units assisted with HOME funds not exceed 95 percent of the area median purchase price for single family housing, as determined by HUD. Consequently, PJs can no longer use the 203(b) limits as the HOME Program homeownership value limits (i.e., initial purchase price or after rehabilitation value). This new Rule was effective August 23, 2013.

1. Newly Constructed Housing. The new HOME homeownership value limits for newly constructed HOME units is 95 percent of the median purchase price for the area based on Federal Housing Administration (FHA) single family mortgage program data for newly constructed housing. Nationwide, HUD established a minimum limit, or floor, based on 95 percent of the U.S. median purchase price for new construction for nonmetropolitan areas. This figure is determined by the U.S. Census Bureau. HUD has used the greater of these two figures as their HOME homeownership value limits for newly constructed housing in each area.
2. Existing Housing. The new HOME homeownership value limits for existing HOME units is 95 percent of the median purchase price for the area based on Federal FHA single family mortgage program data for existing housing and other appropriate data that are available nationwide for sale of existing housing in standard condition. Nationwide, HUD has established a minimum limit, or floor, based on 95 percent of the state-wide nonmetropolitan area median purchase price using this data. HUD has used the greater of these two figures as their HOME homeownership value limits for existing housing in each area.

For additional information, please visit the HUD exchange at <https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-after-rehab-value/>.

**Attachment**

2020 Georgia HOME Homeownership Value Limits Spreadsheet